

**Aegon Hungary
Fund Management Ltd.**

**Annual Report
31 December 2022**

(Free translation)

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Statistical Code

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Company registration Number

Aegon Hungary Fund Management Ltd.

1091 Budapest, Üllői út 1.

2022

Annual Report

Kocsis Bálint

Chief Administration Officer

Kadocsa Péter

President & CEO

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Statistical Code

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Company Registration Number

Aegon Hungary Fund Management Ltd.

"A" BALANCE SHEET (Assets)

amounts in tHUF

Nr		Previous year	Current year
		31.12.2021	2022.12.31
A	B	D	D
1.	A. Fixed assets (I+II+III)	1 464 404	1 546 962
2.	I. Intangible assets (1+2+3+4+5+6+7)	1 317 195	1 402 268
3.	1. Capitalized value of formation/restructuring expenses	0	0
4.	2. Capitalized value of research and development	0	0
5.	3. Concessions, licenses and similar rights	8 890	5 926
6.	4. Intellectual property products	101 814	189 851
7.	5. Goodwill	1 206 491	1 206 491
8.	6. Advances and payments on account in respect of tangible assets	0	0
9.	7. Adjusted value of intangible assets	0	0
10.	II. Tangible assets (1+2+3+4+5+6+7)	89 209	81 084
11.	1. Land and buildings and rights to immovables	4 556	2 635
12.	2. Plant and machinery, vehicles	0	0
13.	3. Other fixtures and fittings, tools and equipment, vehicles	84 653	78 449
14.	4. Breeding stock	0	0
15.	5. Assets in the course of construction	0	0
16.	6. Payments on account and tangible assets in the course of construction	0	0
17.	7. Adjusted value of tangible assets	0	0
18.	III. Financial investments (1+2+3+4+5+6+7+8+9+10)	0	63 610
19.	1. Long-term participations in affiliated companies	0	0
20.	2. Long-term loans to affiliated companies	0	0
21.	3. Long-term major participating interests	0	0
22.	4. Long-term loans to companies linked by virtue of major participating interests	0	0
23.	5. Other long-term participations	0	63 610
24.	6. Long-term loans to other companies linked by virtue of participating interests	0	0
25.	7. Other long-term loans	0	0
26.	8. Long-term debt securities	0	0
27.	9. Adjusted value of financial investments	0	0
28.	10. Valuation margin of financial investments	0	0

Bálint Kocsis

Chief Administration Officer

Péter Kadocsa

Chairman of the Board

Budapest, 17. April 2023

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Company Registration Number

Aegon Hungary Fund Management Ltd.

"A" BALANCE SHEET (Assets)

amounts in tHUF

Nr		Previous year	Current year
		2021.12.31	2022.12.31
29.	B. Current assets (I.+II.+III.+IV.)	7 678 724	7 376 692
30.	I. Stocks (1+2+3+4+5+6)	0	0
31.	1. Raw materials and consumables	0	0
32.	2. Work in progress and intermediate goods	0	0
33.	3. Rearing animals, hogs and other livestock	0	0
34.	4. Finished products	0	0
35.	5. Goods	0	0
36.	6. Payments on account for inventories	0	0
37.	II. Debtors (1+2+3+4+5+6+7+8)	1 408 849	963 708
38.	1. Trade debtors	1 055 160	383 339
39.	2. Amounts owed by affiliated companies	2 507	2 867
40.	3. Amounts owed by companies with which the company is linked by virtue of major participating interests	0	0
41.	4. Receivables from other companies linked by virtue of participating interests	0	0
42.	5. Notes receivable	0	0
43.	6. Other debtors	351 182	577 502
44.	7. Valuation margin of receivables	0	0
45.	8. Valuation margin of derivative instruments	0	0
46.	III. Securities (1+2+3+4+5+6)	1 897 851	1 051 815
47.	1. Shares in affiliated companies	0	0
48.	2. Major participating interests	0	0
49.	3. Other participating interests	133 921	26 436
50.	4. Own shares and own partnership shares	0	0
51.	5. Debt securities held for trading	1 763 930	1 025 379
52.	6. Valuation margin of securities	0	0
53.	IV. Cash at bank and in hand (1+2)	4 372 024	5 361 169
54.	1. Cash in hand, checks	0	0
55.	2. Cash at bank	4 372 024	5 361 169
56.	C. Accrued and deferred assets (1+2+3)	24 928	64 912
57.	1. Accrued income	14 804	36 019
58.	2. Accrued expenses	10 124	28 893
59.	3. Deferred expenses	0	0
60.	Total assets (A+B+C)	9 110 056	8 988 566

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Budapest, 17. April 2023

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Statistical Code

Aegon Hungary Fund Management Ltd.
"A" BALANCE SHEET (Liabilities)

amounts in tHUF

Nr		Previous year	Current year
		2021.12.31	2022.12.31
A	B	C	D
61.	D. Equity (I+II+III+IV+V+VI+VII)	5 200 408	4 579 752
62.	I. Subscribed capital	1 000 000	1 000 000
63.	Showing separately: ownership shares repurchased at nominal value	0	0
64.	II. Subscribed capital unpaid (-)	0	0
65.	III. Capital reserve	0	0
66.	IV. Retained earnings	1 344 931	1 569 797
67.	V. Tied-up reserve	21 951	30 611
68.	VI. Revaluation reserve	0	0
69.	1. Valuation reserve for adjustments	0	0
70.	2. Fair value reserve	0	0
71.	VII. Profit or loss for the year	2 833 526	1 979 344
72.	E. Provisions (1+2+3)	143 860	228 485
73.	1. Provisions for contingent liabilities	143 860	228 485
74.	2. Provisions for future expenses	0	0
75.	3. Other provisions	0	0
76.	F. Creditors (I.+II.+III.)	3 529 219	4 116 721
77.	Subordinated liabilities	0	0
78.	1. Subordinated liabilities to affiliated companies	0	0
79.	2. Subordinated liabilities to companies linked by virtue of major participating interests	0	0
80.	3. Subordinated liabilities to other companies linked by virtue of participating interests	0	0
81.	4. Subordinated liabilities to other economic entities	0	0
82.	II. Long-term liabilities(1+2+3+4+5+6+7+8+9)	0	0
83.	1. Long-term loans	0	0
84.	2. Convertible and equity bonds	0	0
85.	3. Debenture loans	0	0
86.	4. Investment and development credits	0	0
87.	5. Other long-term credits	0	0
88.	6. Long-term liabilities to affiliated companies	0	0
89.	7. Long-term liabilities to companies linked by virtue of major participating interest	0	0
90.	8. Long-term liabilities to other companies linked by virtue of participating interests	0	0
91.	9. Other long-term liabilities	0	0

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Chairman of the Board

Budapest, 17. April 2023

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Company Registration Number

Aegon Hungary Fund Management Ltd.

"A" BALANCE SHEET (Liabilities)

amounts in tHUF

Nr		Previous year	Current year
		2021.12.31	2022.12.31
92.	III. Current liabilities(1+2+3+4+5+6+7+8+9+10+11)	3 529 219	4 116 721
93.	1-Short-term loans	0	0
94.	- showing separately: convertible or equity bonds	0	0
95.	2. Short-term credits	0	0
96.	3. Advances received from customers	0	0
97.	4. Trade creditors	27 246	29 715
98.	5. Bills payable	0	0
99.	6. Short-term liabilities to affiliated companies	67 038	98 935
100.	7. Short-term liabilities to companies linked by virtue of participating interest		
101.	8. Short-term liabilities to other companies linked by virtue of participating interests		
102.	9. Other short-term liabilities	3 434 935	3 988 071
103.	10. Valuation margin of liabilities		
104.	11. Valuation margin of derivative instruments		
105.	G. Accruals and deferred income (1+2+3)	236 569	63 608
106.	1. Accrued and deferred income	0	0
107.	2. Deferred costs and expenses	236 569	63 608
108.	3. Deferred income	0	0
109.	Total liabilities (D+E+F+G)	9 110 056	8 988 566

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Chairman of the Board

Budapest, 17 April 2023

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Company Registration Number

Aegon Hungary Fund Management Ltd.

PROFIT AND LOSS ACCOUNT
(nature of expense method)

amounts in tHUF

<i>Layout of the profit and loss account (nature of expense method)</i>	Previous year	Current year
	2021	2022
01. Net domestic sales	5 183 518	3 952 987
02. Net external sales	117 958	76 434
I. Total net sales (01+02)	5 301 476	4 029 421
03. Variation in stocks of finished goods and in work in progress	0	0
04. Own work capitalized	31 753	38 834
II. Work performed by the company for its own purposes and capitalized (+03+04)	31 753	38 834
III. Other income	68 140	196 290
Showing separately: impairment loss reversed	0	0
05. Raw materials and consumables	8 565	12 003
06. Value of services consumed	687 080	646 214
07. Cost of other services	48 134	59 939
08. Cost of goods sold	0	0
09. Value of services sold (mediated)	303 435	240 756
IV. Material costs (05+06+07+08+09)	1 047 214	958 912
10. Wages and salaries	805 583	792 070
11. Other employee benefits	44 909	67 549
12. Contributions on wages and salaries	138 809	114 369
V. Staff costs (10+11+12)	989 301	973 988
VI. Depreciation	56 990	65 350
VII. Other operating charges	226 478	348 401
Showing separately: impairment loss	0	0
A. Results of operating activities (I+II+III-IV-V-VI-VII)	3 081 386	1 917 894

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Company Registration Number

Aegon Hungary Fund Management Ltd.

PROFIT AND LOSS ACCOUNT (nature of expense method)

amounts in tHUF

<i>Layout of the profit and loss account (nature of expense method)</i>	Previous year	Current year
	2021	2022
13. Dividends and profit-sharing receivable	0	0
Showing separately: from affiliated companies	0	0
14. Income from participating interests, capital gains	0	0
Showing separately: from affiliated companies	0	0
15. Income from financial investments (equity shares, loans), capital gains	0	0
Showing separately: from affiliated companies	0	0
16. Other interest receivable and similar income	35 217	290 170
Showing separately: from affiliated companies	0	0
17. Other income from financial transactions	4 100	30 112
Showing separately: valuation margin	0	0
VIII. Income from financial transactions (13+14+15+16+17)	39 317	320 282
18. Expenses and losses on participating interests	0	0
Showing separately: to affiliated companies	0	0
19. Expenses on financial investments (equity shares, loans), losses	0	0
Showing separately: to affiliated companies	0	0
20. Interest (paid) payable and similar charges	0	0
Showing separately: to affiliated companies	0	0
21. Losses on shares, securities, long-term loans and bank deposits	0	0
22. Other expenses on financial transactions Showing separately: valuation margin	13 567	71 184
Showing separately: valuation margin	0	0
IX. Expenses on financial transactions (18+19+20+21+22)	13 567	71 184
B. Profit or loss from financial transactions (VIII-IX)	25 750	249 098
C. Profit or loss before tax (+A+B)	3 107 136	2 166 992
X. Tax expense	273 610	187 648
D. Profit after tax (+C-X)	2 833 526	1 979 344

Bálint Kocsis

Chief Administration Officer

Péter Kadocsa

Chairman of the Board

Budapest, 17 April 2023

Aegon Hungary Fund Management Ltd.

Notes to the Annual Report for 2022

1. General

Introduction of the company

ÁB-MONÉTA Befektetési Alapkezelő Kft. (hereinafter referred to as the Company) was established in 1996 with a subscribed capital of HUF 5 million. The founder of the Company was ÁB-MONÉTA Befektető és Tanácsadó Kft., which on 1 November 1997 was transformed into ÁB-MONÉTA Értékpapír Rt. (later AEGON Magyarország Értékpapír Rt.), a company limited by shares with registered shares exclusively. Due to the changes in its activities, the parent company modified its name as well to AEGON Magyarország Gazdasági Szolgáltató Rt.

Based on the founder's resolution, on 18 November 1999 the Company decided to convert into a company limited by shares and at the same time to increase the Company's subscribed capital. The extent of the required capital increase was HUF 13 million by ÁB-MONÉTA Értékpapír Rt., and HUF 2 million by the ÁB-Novinvest Kft.

The Fund Management Ltd. changed its corporate form in its closing balance sheet as of 22 February 2000. Hereinafter, the Company was operated as successor under the name ÁB-Monéta Befektetési Alapkezelő Rt.

On 18 September 2000, the Company changed its name to AEGON Magyarország Befektetési Alapkezelő Rt. Based on the founder's resolution, on 23 January 2002 the Company decided to increase its subscribed capital to HUF 250 million. The capital increase was entirely subscribed by AEGON Magyarország Értékpapír Rt.

In 2003 the founders decided to make an additional capital increase to HUF 750 million. The capital increase was entirely subscribed by AEGON Magyarország Értékpapír Rt.

Aegon Magyarország Gazdasági Szolgáltató Rt. merged into the parent company Aegon Magyarország Általános Biztosító Zrt. (hereinafter: Aegon Hungary General Insurance Ltd.) on 5 September 2005, thus the Company became the property of Aegon Magyarország Általános Biztosító Zrt. (99.8%) and Aegon Magyarország Ingatlan Fejlesztő és Hasznosító Korlátolt Felelősségű Társaság (0.2%). Aegon Magyarország Ingatlan Fejlesztő és Hasznosító Kft. merged into Aegon Biztosító in 2012, which therefore became the sole owner of the Company.

The Company was consolidated by its parent company, Aegon Magyarország Általános Biztosító Zrt., until 2018. The 2019-2021 business terms and conditions Aegon Magyarország Biztosító Zrt. did not prepare a consolidated report, therefore the superior parent company, Aegon N.V. (headquarters: AEGONplein 50. 2591 TV. The Hague, The Netherlands) consolidated accounts have been included in the item determined in accordance with legal regulations.

Aegon N.V. In November 2020 agreed with Vienna Insurance Group AG Wiener Versicherung Gruppe (VIG) on the sale of its insurance, pension savings and fund management business in Hungary, Poland, Romania and Turkey. According to the relevant legal provisions, the contracting parties obtain the necessary official permits in all relevant countries.

In April 2021, the Hungarian Ministry of the Interior vetoed the planned transaction, which is why VIG negotiated with the Hungarian Ministry of Finance. As a result of the negotiations, the parties signed in February 2022, based on which, on behalf of the Hungarian State, Corvinus Befektetési Zrt. - in addition to VIG's 55% controlling influence - acquired 45% minority ownership in Aegon Biztosító and Union Biztosító. It was closed on March 24, 2022.

Starting from the business year 2022, Aegon Magyarország Általános Biztosító Zrt. will not prepare a consolidated report, it is overseen by the parent company, VIENNA INSURANCE GROUP AG Wiener Versicherung Gruppe (headquarters: Schottenring 30 AT-1010 Wien, Austria)

The consolidated report on Aegon Magyarország Általános Biztosító Zrt. located at its headquarters (1091 Budapest, Üllői út 1.) and the Ministry of Municipalities and Justice (<http://e-besolo.kim.gov.hu>).

The Chairman of the Board of Directors is Péter Kadocsa, the members of the Board of Directors are Bálint Kocsis, CAO, András Loncsák, investment director and Zsolt Kovács, Head of Sales Management. He is the

member of the board of directors from 29.03.2022, while the board membership of Gábor Réti, head of risk management, was terminated on 13.09.2022.

The registered seat of the Company: 1091 Budapest, Üllői út 1.
VAT code: 11951766-4-43
Company registration number: 01-10-044261
Homepage contact details: www.aegonalapkezeslo.hu

Members of the Supervisory Board:

Hindrik Eggens	Member of the Supervisory Board until March 23, 2022, did not carry out any major activities of importance to the Fund Manager.
Jane Daniel	The chairman of the Supervisory Board until March 23, 2022, the CRO of AEGON Asset Management, did not carry out any major activities of importance to the Fund Manager.
Olaf van den Heuvel	Member of the Supervisory Board until March 23, 2022, the CIO of Aegon Asset Management did not carry out any major activities of importance to the Fund Manager.
Mikesy Álmos	Member of the Supervisory Board from March 29, 2022, and chairman of the Supervisory Board from May 17, 2023, does not carry out any major activities of importance to the Fund Manager.
Gerhard Lahner	Member of the Supervisory Board from March 23, 2022, and the deputy chairman of the Supervisory Board from May 17, 2023, does not carry out any major activities of importance to the Fund Manager
Lehel Gábor	Member of the Supervisory Board from March 23, 2022, he does not carry out any major activities of importance to the Fund Manager.
Gerald Weber	Member of the Supervisory Board from March 23, 2022, he does not carry out any major activities of importance to the Fund Manager.
Mag. Dr. Andreas Grünbichler	Member of the Supervisory Board from March 25, 2022, he does not carry out any major activities of importance to the Fund Manager.
Dr. Berta Adrienn	Member of the Supervisory Board from March 25, 2022, he does not carry out any major activities of importance to the Fund Manager.

The Company complies with the provisions of Decree XVI of 2014 on the forms of collective investment and their managers, as well as amendments to certain financial laws. (hereinafter: Kbtv.) have alternative investment fund management (AIFM) and UCITS fund management licenses. The Company, as an AIFM, is in possession of a license to conduct collective portfolio management pursuant to Section 7 (1) (a), (b) of the Public Procurement Act, Section 7 (2) (a), (b) and Section 7. § (3) a.) B.) And c.) Of the investment fund management companies. The Company, as a UCITS fund manager, performs the activities permitted for investment management companies by the provisions of Section 6 (1) a.), B.) And c. The activities of the AIFM are regulated by the Magyar Nemzeti Bank on H-EN-III-6/2015 dated 30.01.2015. The Magyar Nemzeti Bank approved the UCITS fund management activities in accordance with Resolution H-EN-III-101/2016 dated 04.04.2016. authorized by decision no.

Dur Company joined the Association of Hungarian Investment Fund Management Companies in January 2002. The Company has been a member of the Investor Protection Fund since December 2002. The joining fee was HUF 500,000.

The Company is entitled to provide cross-border services; the types of the services are as follows broken down by country:

Poland	portfolio management/investment consultancy
Czech Republic	portfolio management/investment consultancy
Slovakia	portfolio management
Romania	portfolio management

From 2019 only two directions were provided (towards Poland and Romania).

In connection with cross-border services, the Company did not incur any tax liability to a foreign tax authority in 2021 or 2022.

The stakeholder of the Company:

AEGON Hungary General Insurance Limited Liability Company
Registered seat: HU-1091 Budapest, Üllői út 1.
Shares: 500 units of ordinary shares with a nominal value of HUF 2,000,000
Voting interest: 100%

The effects of the Ukrainian crisis on the Company

On February 24, 2022, the conflict escalated into a war, so based on the Liquidity Policy, the Chief Risk Officer convened the Liquidity Committee, which meets several times a day if necessary, analyzes the situation and performs decision-making tasks.

Due to the increasing Russian-Ukrainian political tension, our company's risk management department has been conducting enhanced monitoring since the end of January 2022 to monitor relevant exposures and prepare the necessary decisions. The investment department closely monitored geopolitical developments and assessed possible scenarios.

Their company shall take the necessary measures without delay in accordance with the legal provisions, taking into account the interests of investors. Pursuant to the decision taken under this measure, on 24 February 2022 it decided to temporarily suspend the continuous marketing of the following 5 investment funds:

Aegon Russia Equity Investment Fund
Aegon Emerging Europe Bond Investment Fund
Aegon Premium Dynamic Funds Sub-Fund
Aegon Premium Expert Fund of Funds Sub-Fund
Aegon Tempo Maxx Funds Sub-Fund

With the exception of the Aegon Russia Equity Fund, the continuing trading of the suspended funds resumed on March 1, 2022 and has been ongoing ever since.

The Company restarted the distribution of the Russia Fund on March 27, 2023, after making maximum use of the legal possibility of suspension. However, due to the impossibility of access to the Russian market, the Russia Fund no longer fulfills the Fund's original objective, and the Company has modified its investment policy. The Fund's illiquid investments are made separately in illiquid series in order to maintain the continuous distribution of investment units and to protect investors, taking into account the XVI of 2014 on collective investment forms and management objects, as well as amendments to certain financial laws. Act (Kbftv.) § 128, paragraph (1). The aim of the Fund is to preserve the Russian investments owned by the Fund, which are affected by sanctions and therefore become illiquid, and when these assets become liquid again at a later date, to utilize them for investors. An illiquid investment is an asset that could not be sold under market conditions, or could only be sold at a disproportionately large loss due to a significant drop in market turnover compared

to normal conditions, also taking into account the ticket redemption rules. Purchase, redemption or exchange orders cannot be given for the investment certificates of the illiquid series.

Based on the decision of the Valuation Committee, the illiquid assets held by the Russia Fund are valued at a discount compared to the current market rate. The discount factor is determined based on a consideration of the probability of possible future scenarios, so it can change over time as these probabilities change.

Overall, it can be said that the direct assets managed by the Company have little Russian or Ukrainian exposure.

In view of the current situation, we believe that the going concern principle will continue to apply.

2. The main elements of the accounting policy of the Company

Statement preparation and bookkeeping

In the course of preparing the Annual Report and bookkeeping, the Company proceeds in compliance with the provisions of Act C of 2000 on Accounting, and applies the principles provided therein. Given the nature of its activities, the Company takes into consideration the provisions specified in Government Decree 327/2009 (XII.29.) when preparing its Annual Report and bookkeeping.

The Corporation shall prepare the Annual Report based on double-entry bookkeeping. The Company keeps its books in Hungarian Forint in the Hungarian language. The balance sheet, the profit and loss statement and the notes form parts of the Annual Report. The Company also prepares a Business Report. The Company prepares its profit and loss statement by using the total cost method.

The Company has an accounting policy appropriate to its specificities, which includes:

- (a) rules for the inventory and inventory of assets and liabilities;
- (b) the rules for valuing assets and liabilities;
- (c) the internal rules governing the calculation of costs;
- (d) the cash management regulations.
- (e) e) service unbundling policy
- (f) strict accounting rules

The annual report for the calendar year is prepared as of the balance sheet date of 31 December 2022 and the balance sheet date of 6 January 2023.

The Company did not deviate from the provisions of Articles 15-16 of the Accounting Act during the preparation of the books or the preparation of the financial statements.

Material errors

In the Company's accounting documents it shall be understood as a material error if in the year when discovered by any form of audit or self-audit, the total value of all errors (whether negative or positive) for a given financial year and the impacts thereof - increasing or decreasing the profit or loss or the equity - exceeds 2% of the balance sheet total, or if it is lower than 1 million HUF the base is 1 million HUF. Every errors under this base are non-material errors.

We consider the following to be exceptional revenue

- the value of the assets (in-kind) transferred to the company in accordance with the articles of association
- the amount of liabilities waived under the arrangement
- the market value of the assets received without compensation
- the market value of the assets received free of charge, without the obligation to return them, received as gifts, bequests, found as surpluses, which do not qualify as shares or securities, or in accordance with the law, unless otherwise provided by law
- the amount of the obligation assumed by the third party in the course of the debt assumption without compensation, if it relates to an acquired asset that does not qualify as a share or security, up to the carrying amount of the asset acquired in connection with the assumed liability

- the amount of the waived obligation, if it relates to an acquired asset that does not qualify as a share or security, up to the amount of the carrying amount of the asset acquired in connection with the waived obligation
- the amount of financially settled support received for development purposes - without the obligation to repay - and the amount of funds finally taken over
- the market value of the services received (used) free of charge or, in the case of a different provision of the law, in accordance with the law.

We consider the following to be exceptional expenses

- the book value of the assets (in-kind) transferred to the company,
- the amount reimbursed for the value of subsidies and benefits transferred for development purposes without the obligation to repay,
- funds permanently transferred.
- the book value of assets transferred free of charge, with the exception of shares, securities, loans in fixed assets and purchased receivables, and the cost of services provided free of charge, with value added tax not paid by the transferee increased amount
- the amount of the obligation assumed during the assumption of the debt - without compensation - according to the contract (agreement) - taking into account Section 33 (1) of the Act - at the transferee of the debt;
- the amount of support and benefits provided to a domestic or foreign enterprise in connection with the business year to compensate for the costs (expenses) - without the obligation to repay

Principles for the valuation of assets and liabilities

The valuation of assets and liabilities is based on the principles of group evaluation (in the cases permitted by the Act on Accounting) or on individual, itemized evaluation. Evaluation shall start from the going concern basis and the principles of individual evaluation, prudence and authenticity.

The valuation principles applied in the preparation of the balance sheet for the previous year may be changed only if the factors causing the change prevail on a permanent basis, that is for not less than a period of one year, and the change consequently qualifies as permanent or long term.

The value of all assets and liabilities denominated in foreign currency shall be determined based on the official foreign exchange rate published by the National Bank of Hungary prevailing on the last day of the year, and all fluctuations in exchange rates - without their value - shall be regarded as material.

During evaluation, the Company takes into consideration all impairment and depreciation which relate to the assets existing on balance sheet date, actually occur or become known until the preparation of the balance sheet. The Company accounts for impairment on a monthly basis by using the linear method.

Assets and liabilities are controlled by way of stocktaking and reconciliation in compliance with the Company's regulations for stocktaking, and are evaluated individually.

The depreciation rates determined based on the useful life for each asset category are as follows:

Amortization rates for intangible assets:

The depreciation rate for property rights is 15% per annum.

The depreciation rate for completed experimental development is 20% per annum.

The depreciation rate for the completed foundation reorganization is 20% per annum.

The share related to goodwill is no longer recognized, therefore the Company, in accordance with the Accounting Act, applies the provisions in force on the date of registration of goodwill, annually reviews the carrying amount of goodwill and, if necessary, calculates unplanned depreciation.

For software, the useful life is determined by asset category based on obsolescence experience.

Useful life of software by software type:

- Custom software - portfolio registration systems:
 - Depreciation rate is 3 years, except for assets over HUF 15 million 5 years
- Purchased software:
 - Operating systems - 5 years
 - Windows and windows applications - 5 years
 - Other additional software - 2 years, except for devices over HUF 15 million 5 years
 - General Ledger Software - 5 years
 - Accounting analytical software - 5 years
- Self developed software - 5 years

Depreciation rates determined based on useful lives by software type are as follows:

- Custom software - portfolio registration systems:
 - Depreciation rate is 33% per annum. Exception for assets over HUF 15 million 20%,
- Purchased software:
 - Depreciation rate for operating systems is 20% per annum,
 - Description key for Windows and windows applications is 20% per year,
 - The description key for other additional software depends on the application, usually, 50%, except for assets over HUF 15 million 20%,
 - General ledger software depreciation rate is 20% per annum,
 - Depreciation rate for accounting analytical software is 20% per annum
- In-house developed software - 20%

During the activation or additional activation of the asset, the individual cost of the asset is taken into account when determining the HUF 15 million value limit.

Depreciation rates for tangible assets:

Depreciation rate for computer equipment is 20%

Assets with an individual value of less than HUF 200 thousand are depreciated in one amount

Depreciation rates for administrative and technical assets are 20, 33 and 50% per annum, respectively.

Depreciation rate of machinery, equipment and facilities 20% per annum

Investment in buildings and leased real estate 6% per annum

The depreciation rate for other equipment is 20% per annum.

In the general case, the useful life of our Company is determined by taking into account the technically justified life of the asset, so the useful life is equal to the technically justified life of the assets, as follows:

- Computer equipment for 5 years
- Assets below the individual value of HUF 200 thousand are depreciated in one amount
- Administrative tools - 2, 3 and 5 years, respectively
- Machinery, equipment, facilities - 5 years
- Buildings, investment in leased real estate - 16.6 years

3. Notes to the Balance Sheet

3.1. Fixed Assets

3.1.1 Intangible assets (table representing changes in Annex No. 1.)

figures are in Th HUF

Intangible Assets	2021	2022	Vált.	Vált.%
Concessions, licenses and similar rights	8 890	5 926	-2 964	-33%
Intellectual property products	101 814	189 851	88 037	86%
of which the course of construction in intellectual products	0	66 924	66 924	n/a
Goodwill	1 206 491	1 206 491	0	0%
Total:	1 317 195	1 402 268	85 073	6%

Concessions, licenses and similar rights

The most valuable rights of the Company representing assets are the licence fees of different computer software.

Intellectual property products

Among its intellectual property, the Company records the capitalized value of such management software, homepage and online system which have been developed for its own purposes upon its order jointly with a third party. The Company develops and maintains its systems continuously and according to its own requirements. At the end of 2022, the course of construction on investments include software developments that depend on the amount of the company change and the change of image, which we can put into use after the name change

Goodwill

Based on the purchase agreement executed on 20 February 2008 AEGON Fund Management Ltd. purchased UNIQA Befektetési Szolgáltató Zrt. and UNIQA Pénzügyi Szolgáltató Zrt. from their stakeholders. The difference between the purchase price and the equity of the companies purchased that is HUF 4,397 million was shown as goodwill. The return of a significant part of the goodwill became hopeless due to the changes in legislation in 2010. When evaluating the return at the end of 2010, the Company recorded as extraordinary depreciation 100% of the share of goodwill in the private pension fund by applying the assets of the private pension fund to the voluntary pension fund. Based on the evaluation of return relating to the end of 2022, no extraordinary depreciation was justified to be shown, therefore the closing value of goodwill remained HUF 1.206 million

3.1.2. Tangible assets (table representing changes in Annex No. 1.)

figures in Th HUF

Tangible assets	2021	2022	Change	Change%
Land and buildings and rights to immovables	4 556	2 635	-1 921	-42%
Other fixtures and fittings, tools and equipment, vehicles	84 653	78 449	-6 204	-7%
Assets in the course of construction	0	0	0	n/a
Total:	89 209	81 084	-8 125	-9%

Land and buildings and rights to immovables

In the balance sheet line the Company records the capitalized expenses relating to the construction of its office.

Other fixtures and fittings, tools and equipment, vehicles

In the balance sheet line the Company records different office equipment, computer accessories and passenger vehicles.

Payments on account and tangible assets in the course of construction

Payments on account and tangible assets in the course of construction are non-capitalized assets and it's paid deposits.

3.1.3. Financial investments

figures in Th HUF

Financial Investments	2021	2022	Change	Change%
Other long-term participation	0	63 610	63 610	n/a
Total:	0	63 610	63 610	n/a

Other long-term participation include time bonds purchased by the Company in 2022, which the Company intends to transfer under the securities incentive plan.

3.1.4 Stocs

The Company is holding no stocks.

3.1.5. Debtors

Accounts receivable from the supply of goods and services (debtors)

figures in Th HUF

	2021	2022	Change	Change%
Trade debtors	1 055 160	383 339	-671 821	-64%

The decrease in the balance of trade debtors is due to the decrease in performance fee revenues. No impairment was required for trade receivables during the period or the comparative period.

Amounts owed by affiliated companies

figures in Th HUF

	2021	2022	Change	Change%
Amounts owed by affiliated companies	2 507	2 867	360	14%

The Company presents its receivables from its parent company, which are not related to portfolio management, as receivables from affiliated companies.

Other debtors

figures in Th HUF

Other debtors	2021	2022	Change	Change%
Other receivables	2 641	206 215	203 574	7708%
Portfolio managing receiveables	348 455	298 711	-49 744	-14%
Overpayment of taxes and contributions (reclassification)	86	72 576	72 490	84291%
Total:	351 182	577 502	226 320	64%

Other debtors from portfolio management of the parent company amounted to HUF 191,628 thousand in 2022 (2021: HUF 195,143 thousand).

The increase in various other receivables resulted from a claim against employees arising in connection with the LTIP benefit system related to the change of ownership.

Behind the increase in tax and contribution overpayments, owed balance suppliers (reclassification) is our overpayment of corporate and business tax.

3.1.6 Securities

Debt securities held for trading

figures in Th HUF

Securities	2021	2022	Change	Change %
Other participating interests	1 763 930	1 025 379	-738 551	-42%
Other securities	133 921	26 436	-107 485	-80%
Total:	1 897 851	1 051 815	-846 036	-45%

The Company discloses debt securities acquired for trading purposes and equity securities that are expected to be disposed of in the next business year. The significant increase in other shares is due to the reclassification of other non-current shares from the balance sheet line.

3.1.7. Cash at bank and in hand

The balance sheet line shows the amounts held in the treasury and bank accounts on 31 December 2022. The closing value is HUF 5,361,169 thousand (2021: HUF 4,372,024 thousand). However, due to the nature of the Company's activities, not only its own but also 'customer money' related to the distribution of the investment unit is included in the bank accounts after the 2013 merger of Aegon Magyarország Befektetési Jegy Forgalmazó Zrt. The balance increased in the current year compared to 2021, which was caused by the increase in the Company's investment bank account in addition to the higher year-end balance of customer funds, in which the company's uninvested cash appears in 2022 HUF 869,953 thousand (2021: HUF 393,604 thousand)

Foreign currencies are shown in the balance sheet as revaluated at the NBH central rate on the balance sheet date.

The sums transferred by the clients before the end of the year but invested at the beginning of January only increase the liquid assets against other liabilities, in the same amount.

figures in Th HUF

	2021	2022	Change	Change%
Client's money	3 241 721	3 828 518	586 797	18%

3.1.8. Accrued and deferred assets

figures in Th HUF

Accrued and deferred assets	2021	2022	Change	Change%
Accrued premium revenues	10 161	10 810	649	6%
Accrued Bank interests	336	4 652	4 316	1285%
Accrued expenses	10 124	28 893	18 769	185%
Accrued interest on securities	4 307	20 557	16 250	377%
Total:	24 928	64 912	39 984	160%

Accrued premium revenues

This line includes a significant portion of index usage fees from mutual funds and the AEGON Voluntary Pension Fund that have not been invoiced by the balance sheet date.

Accrued Bank interests

K&H Bank accrual interest is included, the value date of which is the first day of the following year.

Accrued expenses

The balance sheet line includes costs and expenses which have already been resolved but relate to a subsequent period..

Accrued interest on securities

This line includes the proportionate accumulated interests on discount and interest-bearing debt securities which are payable for the subject year.

3.2. Liabilities

3.2.1. Equity

The subscribed capital did not change as compared to the previous year's figure (HUF 1 billion). The amount of the dividend payable for 2022 is HUF 2,6 billion.

figures in Th HUF

	2021.12.31	Transfer of Profit	Dividend	Utilization of development reserve	Development reserve release	Profit after tax for year 2022	2022.12.31
Subscribed capital	1 000 000						1 000 000
Retained earnings	1 344 931	2 833 526	-2 600 000	16 340	-25 000		1 569 797
Tied-up capital	21 951			-16 340	25 000		30 611
Profit or loss of the year	2 833 526	-2 833 526				1 979 344	1 979 344
Equity	5 200 408						4 579 752

The Company records only development reserves as committed reserves in both 2021 and 2022. Most of the development reserve used in the current year was used to purchase motor vehicles.

3.2.2. Provisions

figures in Th HUF

Provisions	2021	2022	Change	Change%
Reorganization provisions	13 430	6 105	-7 325	-55%
LTIP provisions	130 430	3 234	-127 196	-98%
preordered LTIP provisions	0	219 146	219 146	n/a
Total:	143 860	228 485	84 625	59%

figures in Th HUF

	Reorg	LTIP	preordered LTIP	TOTAL
2022 Open	13 430	130 430	-	143 860
Provisioning	1 131	11 317	219 146	231 594
Utilization	-	33 294	-	33 294
Return	8 456	105 219	-	113 674
2022 Closing	6 105	3 234	219 146	9 339

Reorganization provisions are created for liabilities to employees receiving child-care support and child-care allowance, which are to be utilized if the Company would not be able to provide employment for its returning employees.

The LTIP is a long-term executive incentive bonus program. The formation and use of the provision is based on the internal regulations governing the program. With the change of ownership, the LTIP benefit system was brought forward, and a related provision was made in 2022. No provision was shown against an affiliated company.

The Company incurred no contingent liability arising from promises or warranty for the protection of its capital or profit, and created no provisions.

The Company has no contingent and future liabilities outside the balance sheet arising from promises or warranty for the protection of its capital or profit.

3.2.3. Creditors

The Company has no creditors in 2021 and 2022.

3.2.4. Long-term liabilities

The Company has no long-term liabilities in 2021 and 2022.

3.2.5 Current liabilities

Trade creditors

figures in Th HUF

Description	2021	2022	Change	Change%
Accounts payable	13 256	18 193	4 937	37%
non-invoiced accounts payable	13 990	11 522	-2 468	-18%
Total:	27 246	29 715	2 469	9%

Short-term liabilities to affiliated companies

figures in Th HUF

Description	2021	2022	Change	Change%
Accounts payable	56 075	90 561	34 486	61%
non-invoiced accounts payable	10 963	8 374	-2 589	-24%
Total:	67 038	98 935	31 897	48%

The line 'Short-term liabilities to affiliated companies' includes the supplier liability with the parent company at the end of the year, the balance of which increased mainly due to the increased invoiced IT costs in 2022.

Other short-term liabilities

figures in Th HUF

Other short-term liabilities	2021	2022	Change	Change%
Taxes	193 214	54 894	-33 661	-17%
Other liabilities	0	104 659	104 659	n/a
Cash not yet invested in	3 241 721	3 828 518	586 797	18%
Total:	3 434 935	3 988 071	553 136	16%

Other current liabilities include cash not yet invested in distribution activities transferred by customers to the Company's account.

3.2.6. Accruals and deferred income

figures in Th HUF

Deferred costs and expenses	2021	2022	Change	Change%
Bonus	211 748	43 458	-168 290	-79%
Commission fee	16 488	9 473	-7 015	-43%
Other Accruals	8 333	10 677	2 344	28%
Total:	236 569	63 608	-172 961	-73%

The background of the significant reduction in bonus accruals lies on the one hand in the periodic settlements arising in connection with the change of ownership, and on the other hand in the lower expected bonus payments for 2022