

Aegon Polish Equity Fund HUF series

GENERAL INFORMATION

Fund Manager:	AEGON Hungary Fund Manager Ltd.
Custodian:	Unicredit Bank Hungary Zrt.
Main distributor:	AEGON Hungary Fund Manager Ltd.
Benchmark composition:	60% WIG-20 Index + 35% WIG-40 Index + 5% WBOR 3M Index
ISIN code:	HU0000710843
Start:	01/03/2012
Currency:	HUF
Total Net Asset Value of the whole Fund:	113,280,072 PLN
Net Asset Value of HUF series:	857,370,450 HUF
Net Asset Value per unit:	1.419008 HUF

INVESTMENT POLICY OF THE FUND:

The fund aims to share in the yields of the Polish equity market, and to profit from Poland's economic growth through share price gains and dividend income. Given the risk profiles of the equity investments, the fund is classified as a high-risk investment. The fund manager's intentions are that the fund's portfolio should consist predominantly of the publicly traded shares of foreign-domiciled companies. The fund's primary investment targets are the exchange-traded securities of companies that are active in Poland or that generate the bulk of their revenues there, or whose shares are listed on the Warsaw Stock Exchange. The fund may also invest in the shares of other Central and Eastern European corporations. These are listed as Austria, the Czech Republic, Hungary, Russia, Romania and Turkey, although the portfolio will always chiefly consist of the shares of companies listed on the Warsaw Stock Exchange. When building the fund's portfolio, beyond the minimum statutory requirements, the principles of safety and maximum diversification (the spreading of risk) are observed. Accordingly, only publicly issued securities listed or in the process of being listed on the stock exchange will be purchased as equity investments. The fund management company, exercising all due care, determines the means of utilising the fund's resources on the basis of its own judgement and decisions, while observing the relevant legal provisions and the limitations stipulated in the Fund Documentation and by taking into account the macroeconomic environment of the investment markets, relying primarily on fundamental analysis. When compiling the portfolio, it is shares that determine the nature of the fund, and thus the proportion of shares that may be held in the fund at any given moment may reach the prevailing statutory maximum. The weights of the shares within the portfolio are determined so as to ensure that the fund - in line with our expectations with regard to future risks and yields - achieves its objective, which is to outperform the benchmark advertised by the fund, over the longer term. The fund holds more than 30% of its assets in a currency other than the domestic currency (HUF). In accordance with the current legislation, the proportion of shares in the portfolio may be up to 100%.

DISTRIBUTORS

Aegon Magyarország Befektetési Alapkezelő Zrt., CONCORDE Értékpapír Zrt., Raiffeisen Bank Zrt.

NET YIELD PERFORMANCE OF THE SERIES:

Interval	Yield of note	Benchmark yield
From start	5.47 %	3.94 %
2017	28.61 %	28.15 %
2016	6.87 %	4.66 %
2015	-11.01 %	-12.48 %
2014	1.62 %	1.10 %
2013	-0.37 %	-1.33 %

NET PERFORMANCE OF THE SERIES

NET ASSET VALUE PER SHARE, 08/01/2017 - 07/31/2018



— Aegon Polish Equity Fund HUF series - - - Benchmark

Past performance is no guarantee of future results. This report should not be considered as an offer or investment advisory. The Fund Prospectus contains the detailed conditions of the investment. The distribution costs of the fund purchase can be found at the distributors.

INVESTMENT HORIZON:

Suggested minimum investment period:



Risk and Reward Profile:



MARKET SUMMARY:

During July, a slight increase was observable in the price of the main equity indices; both developed and emerging markets managed to increase their value, moreover the US NASDAQ index hit a new historical peak. The second quarterly flash report season started last month, thus market movements were influenced not only by the "trade war" but also by the results of companies. Facebook's shares fell more than 20% after publishing its results because the number of users of the social media site grew less than analysts' expectations.

At the beginning of the month, the "trade war" between Washington and Beijing came to a new level after the tariffs that affect more than 800 Chinese products worth \$34 billion came into effect, in addition, Donald Trump continued to say that the final amount could reach \$550 billion. Nevertheless, by the end of the month the tension decreased, after the Trump-Juncker meeting in Washington ended with the approach of positions that reduced trade-war fears.

In July, Donald Trump and Vladimir Putin met in Helsinki, which was closed without any substantial progress but Trump's contradictory statements made a big turmoil in the American politics.

In Turkey, new negative news have emerged, which put pressure on the performance of the Turkish equity market. In the middle of the month, Fitch downgraded Turkish debt rating to "BB", outlook negative, moreover, the Turkish central bank left the interest rates unchanged, bucking market expectations and causing further lira weakening.

The British people started to lose faith in the success of the May-led Brexit negotiation, which is further enhanced by the resignation of Boris Johnson and David Davis, the Minister of Foreign Affairs and the Brexit Secretary. Although the British Parliament voted for Theresa May's Brexit plan but the EU has rejected May's proposal.

In July, investors realized profit in the oil market, after the US government is willing to negotiate with Iran's oil buyers about the zero oil import from November. Furthermore, OPEC'S (Organization of the Petroleum Exporting Countries) oil production in July hit a new yearly high and grew to 32.64 million barrels a day, which put also pressure on the price of oil.

In July, the Polish equity market managed to rebound and was an outperformer among the regional markets as well. Within the Polish market, large-cap papers significantly outperformed the mid and small-cap shares in July but they still closed the month in positive territory. Within the sectors the IT (10.3%) and banking sectors (9.7%) were the best performers, while the worse performance was achieved by the media (-2.1%) and the telecom (-0.8%) sector but the fall of these sectors was also not significant. During the month, we increased the weight of the banking sector, while we had overweighted position in the IT sector, which allocation contributed positively to the last month performance, in addition, at the end of the month we started to take profit on our Polish videogame developer, PlayWay exposure.

ASSET ALLOCATION OF THE FUND ON 07/31/2018

Asset type	Weight
International equities	97.15 %
Current account	2.92 %
Liabilities	-0.70 %
Receivables	0.64 %
total	100.00 %
Derivative products	0.00 %
Net corrected leverage	100.00 %

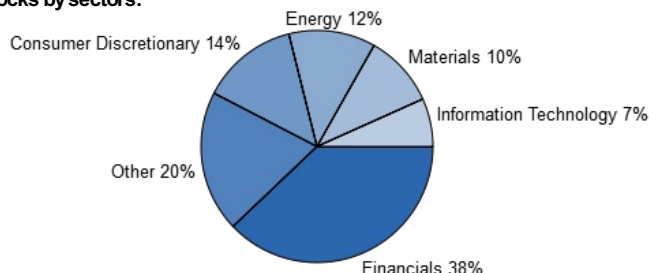
TOP 5 POSITIONS

PKO Bank
 Powszechny Zakład Ubezpieczeń
 Polski Koncern Naftowy
 Bank Pekao SA
 BZWBK

Assets with over 10% weight

There is no such instrument in the portfolio

Stocks by sectors:



RISK INDICATORS FOR THE LAST 12 MONTHS:

Annualized standard deviation of the fund's weekly yields: 14.49 %
 Annualized standard deviation of the benchmark's weekly yields: 14.55 %