

Aegon Asia Equity Fund of Funds 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:	75% MSCI AC FAR EAST EX JAPAN Index + 15% MSCI India Index + 5% MSCI JAPAN INDEX + 5% US Libor Total Return 1M Index
ISIN code:	HU0000705272
Start:	05/11/2007
Currency:	HUF
Total Net Asset Value of the whole Fund:	2,946,614,693 HUF
Net Asset Value of HUF series:	2,826,497,225 HUF
Net Asset Value per unit:	1.722148 HUF

INVESTMENT POLICY OF THE FUND:

The fund aims to share in the yields on equity markets in the Asian region, and to profit from the region'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 invests its capital in equity-type instruments of the target countries. The fund aims to create an opportunity for investors to invest in equity markets that are representative of the Asian economies. The most important target countries are Hong Kong, India, China, South Korea and Taiwan, but the fund also invests in the capital markets of other Asian countries. This may be achieved through the purchase of individual shares or through collective investment instruments. The fund plans to invest predominantly in the latter, and accordingly, it primarily buys into exchange-traded funds (ETFs) and open-ended public investment funds. In accordance with our obligation under law, we draw the attention of all investors to the fact that the fund is a fund that invests in other investment funds; in other words, in accordance with its investment policy it may invest more than 80 percent of its assets in investment fund shares or securities issued by other collective investment instruments. However, the fund's portfolio will not contain shares of any single investment fund in a weight of over 20%. The fund only invests in investment vehicles whose expense ratio is less than 2.5%, though it always strives to ensure that the overall average fee burden does not exceed 1%.

DISTRIBUTORS

Aegon Magyarország Befektetési Alapkezelő Zrt., CIB Bank Zrt., Codex Tőzsdeügynökség és Értéktár Zrt., Commerzbank Zrt., CONCORDE Értékpapír Zrt., Equilor Befektetési Zrt., Erste Befektetési Zrt., OTP Bank Nyrt., Raiffeisen Bank Zrt., Takarékbank Zrt., Unicredit Bank Hungary Zrt.

NET YIELD PERFORMANCE OF THE SERIES:

Interval	Yield of note	Benchmark yield
From start	4.92 %	3.88 %
2017	17.45 %	19.66 %
2016	4.46 %	5.03 %
2015	-0.31 %	0.23 %
2014	24.30 %	24.12 %
2013	-1.18 %	-0.69 %
2012	7.61 %	9.54 %
2011	-6.33 %	-7.06 %
2010	29.75 %	33.22 %
2009	26.50 %	25.99 %
2008	-34.82 %	-39.18 %

NET PERFORMANCE OF THE SERIES

NET ASSET VALUE PER SHARE, 09/01/2017 - 08/31/2018



— Aegon Asia Equity Fund of Funds 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.

MARKET SUMMARY:

The US stock markets hit a new absolute peak in August, while the European and Emerging markets were characterized by fall; Apple also shows the US market strength as it has reached the 1000 billion dollar market capitalization as the first Western company.

Though in the middle of the month the markets have calmed down somewhat on the news of a possible US-China trade agreement, however, the trade negotiations ended with no material results and America activated the new 25% additional tariffs on \$16 billion worth of 279 Chinese products, moreover an additional \$200 billion worth of import is planned to be further charged.

The most important event in August was the fall in the Turkish currency, which also put pressure on the performance of the Turkish equity market. The main reason for the weak performance of the Turkish stock market over the past period is the break of the investor confidence in the Turkish capital markets and monetary policy. Monetary steps to curb the currency fall and the missing of these actions caused panic among the investors, which led to a dramatic sell-off, the fall of Lira has broken records; the inflation rise rapidly, while the central bank does not raise interest rates, thus the investors question the independence of the central bank.

Russian stocks also suffered a fall in August, caused by the news of the new American sanctions, which are not related to election manipulation but to Scriptal poisoning, thus the Ruble also broke out in the weak direction from its multi-month trading range.

In the middle of the month, the Dollar also began to weaken after Trump criticized the US central bank for interest rate hikes and expressed disappointment with the Chairman of the Federal Reserve.

After several months of negotiations, a bilateral agreement was signed between the USA and Mexico at the end of August, but the US and Canada have not been able to agree on the renegotiation of the North American Free Trade Agreement (NAFTA) yet.

In August, within the Asian markets India, Taiwan and Korea closed slightly in the positive territory, while Hong-Kong and China underperformed. In the fund we closed our Chinese and Korean underweight with the improvement of the P/E levels, while we still hold the Indian underweighted exposure because of the high level of pricing.

ASSET ALLOCATION OF THE FUND ON 08/31/2018

Asset type	Weight
Collective securities	94.75 %
Current account	5.24 %
Receivables	0.41 %
Liabilities	-0.39 %
total	100.00 %
Derivative products	0.00 %
Net corrected leverage	100.00 %

TOP 5 POSITIONS

iShares MSCI Korea Index Fund
Fidelity Funds - India Focus-Y ACUSD
ISHARES MSCI HONG KONG INDEX
Ishares MSCI China ETF
ISHARES FTSE / XINHUA CHINA 25

Assets with over 10% weight

iShares MSCI Korea Index Fund
Fidelity Funds - India Focus-Y ACUSD
ISHARES MSCI HONG KONG INDEX
Ishares MSCI China ETF
ISHARES FTSE / XINHUA CHINA 25
ISHARES MSCI TAIWAN CAPPED ETF

RISK INDICATORS FOR THE LAST 12 MONTHS:

Annualized standard deviation of the fund's weekly yields: 12.57 %

Annualized standard deviation of the benchmark's weekly yields: 13.00 %

INVESTMENT HORIZON:

Suggested minimum investment period:

3 months
 6 months
 1 year
 2 years
 3 years
 4 years
 5 years

Risk and Reward Profile:

very low
 low
 moderate
 intermediate
 significant
 high
 very high