

Aegon Alfa Total Return Investment Fund EUR series

GENERAL INFORMATION

| | |
|--|---------------------------------|
| Fund Manager: | AEGON Hungary Fund Manager Ltd. |
| Custodian: | Unicredit Bank Hungary Zrt. |
| Main distributor: | AEGON Hungary Fund Manager Ltd. |
| Benchmark composition: | 100% RMAX Index |
| ISIN code: | HU0000715982 |
| Start: | 03/17/2016 |
| Currency: | EUR |
| Total Net Asset Value of the whole Fund: | 67,977,725,884 HUF |
| Net Asset Value of EUR series: | 9,405,690 EUR |
| Net Asset Value per unit: | 0.999301 EUR |

INVESTMENT POLICY OF THE FUND:

The aim of the fund is to achieve a substantial yield for investors by taking high risks and making active use of derivative positions. The fund is decidedly high-risk, particularly due to the derivative positions it takes. The fund is willing to buy or sell all available investment instruments - domestic and foreign bonds, equities and other securities, indexes and currencies - provided it sees the opportunity to make substantial gains. In this respect the fund belongs in the category of opportunistic funds that pursue a multi-strategy investment approach. Within the multi-strategy approach pursued by the fund, 'global macro', 'long-short equity', 'convertible bond arbitrage' and 'managed futures'-type transactions dominate. In terms of asset class, the fund's investments can be divided into three main groups: it takes on extra risk in the bond, currency and equity markets, and in these markets it is prepared to take up both long and short positions within the maximum limits permitted by law, which currently allow double leverage for funds of this type. In its investment decision-making mechanism the fund assesses fundamental, pricing, technical and behavioural/psychological factors. The fund management company, exercising all due care, based on its own judgement and decisions, and while observing the relevant legal provisions and the limitations stipulated in the Fund Documentation, determines the means of utilising the fund's resources, and the weights of the various investments within the portfolio, with a view to ensuring that the fund - in line with our expectations with regard to future risks and returns - achieves its objective in the long term. To ensure liquidity the fund aims to hold government securities issued by the State Debt Management Centre (ÁKK) on behalf of the State of Hungary.

DISTRIBUTORS

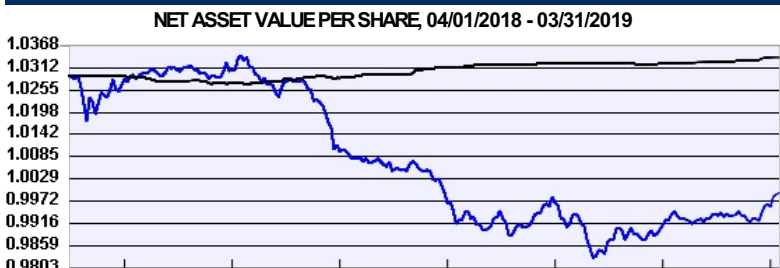
Aegon Magyarország Befektetési Alapkezelő Zrt., Budapest Hitel-és Fejlesztési Bank Zrt., CIB Bank Zrt., CONCORDE Értékpapír Zrt., Equilor Befektetési Zrt., Erste Befektetési Zrt., OTP Bank Nyrt., Raiffeisen Bank Zrt., Unicredit Bank Hungary Zrt.

NET YIELD PERFORMANCE OF THE SERIES:

| Interval | Yield of note | Benchmark yield |
|------------|---------------|-----------------|
| From start | -0.02 % | 0.59 % |
| 2018 | -4.08 % | 0.31 % |
| 2017 | 2.70 % | 0.20 % |

NET PERFORMANCE OF THE SERIES

NET ASSET VALUE PER SHARE, 04/01/2018 - 03/31/2019



— Aegon Alfa Total Return Investment Fund EUR 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.

RISK INDICATORS FOR THE LAST 12 MONTHS:

| | |
|---|------------|
| Annualized standard deviation of the fund's weekly yields: | 2.57 % |
| Annualized standard deviation of the benchmark's weekly yields: | 0.21 % |
| WAM (Weighted Average Maturity): | 8.83 years |
| WAL (Weighted Average Life): | 9.30 years |

INVESTMENT HORIZON:

Suggested minimum investment period:

| | | | | | | |
|--------------------------|--------------------------|-------------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 3 months | 6 months | 1 year | 2 years | 3 years | 4 years | 5 years |

Risk and Reward Profile:

| | | | | | | |
|--------------------------|--------------------------|-------------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| very low | low | moderate | intermediate | significant | high | very high |

MARKET SUMMARY:

Major stock markets continued to rise in March thus the asset class closed the best first quarter since 2012. The strengthening was mostly due to the positive investor sentiment, analysts did not significantly improve their earnings forecasts which also means that shares became more expensive compared to metrics seen at the beginning of the year. At the beginning of the month, equities were under pressure because of the increasing growth fears, weaker US trade deficit and labour market data, however, the trade war optimism and the market-friendly FED have brought a turn. March was a rich month of Central Banks' pulses. The ECB did not change interest rates as expected but announced TLTROIII (the third wave of the longer-term refinancing operation) to provide banks with cheap sources. Moreover, the Hungarian National Bank has also held its interest rate decision-making meeting, where overnight deposit rate was raised by 10 basis points to -0.05% but the Governor of the Hungarian National Bank emphasized that this was a one-off decision, this does not mean a monetary policy turnaround. As a result of the decision, the Forint started to weaken against both developed and regional currencies, which helped to improve the performance of our assets dominated in foreign currencies. However, the Hungarian equity market managed to reach a new historic peak with the leadership of OTP Bank. The Central Banks' measures triggered a decline in yields thus the yield of German 10-year papers fell under zero, while the US three-month and 10-year bond yields (for the first time since the crisis) were inverted. We had a busy month behind us in connection with the Brexit but we did not get closer to the final solution. In March, the May-plan was rejected for the third time, despite the fact that Teresa May offered her resignation in return for the approval. The current final deadline is 12th of April; so far they have reached a consensus on a single issue: exit without agreement must be avoided at all costs. The fund achieved good performance in March, supported mainly by the fixed income exposure, foreign currency positions and individual equity exposure. We held significant Euro, Dollar and Regional currency positions against the Hungarian Forint, which was cut back at the middle of the month in parallel with the weakening of the Hungarian currency. As a result of the decline in yields, the fund's bond exposure contributed most to performance, while our long position in Greek bank shares also performed well.

ASSET ALLOCATION OF THE FUND ON 03/31/2019

| Asset type | Weight |
|---|----------|
| Government bonds | 45.88 % |
| Corporate bonds | 30.14 % |
| Hungarian equities | 9.71 % |
| International equities | 6.26 % |
| Collective securities | 2.77 % |
| Mortgage debentures | 0.62 % |
| Current account | 5.31 % |
| Liabilities | -0.39 % |
| Receivables | 0.17 % |
| Market value of open derivative positions | -0.46 % |
| total | 100.00 % |
| Derivative products | 55.72 % |
| Net corrected leverage | 102.52 % |

| Asset | Type | Counterparty / issuer | Maturity |
|---|------------------|--------------------------------------|---------------|
| Opus Securities átváltható kötvénye | interest-bearing | Opusse Securities (LU) | 2099. 10. 31. |
| Magyar Fejl Bank Zrt. 2020/10 6,25% USD | interest-bearing | Magyar Fejlesztési Bank Zrt (HU) | 2020. 10. 21. |
| Magyar Államkötvény 2021/A | interest-bearing | Államadósság Kezelő Központ Zrt (HU) | 2021. 06. 23. |

TOP 3 POSITIONS

| Asset | Type | Counterparty / issuer | Maturity |
|---|------------------|--------------------------------------|---------------|
| Opus Securities átváltható kötvénye | interest-bearing | Opusse Securities (LU) | 2099. 10. 31. |
| Magyar Fejl Bank Zrt. 2020/10 6,25% USD | interest-bearing | Magyar Fejlesztési Bank Zrt (HU) | 2020. 10. 21. |
| Magyar Államkötvény 2021/A | interest-bearing | Államadósság Kezelő Központ Zrt (HU) | 2021. 06. 23. |

Assets with over 10% weight

There is no such instrument in the portfolio

Currency exposure:

