

Aegon Polish Bond Fund institutional 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% TBSP Index
ISIN code:	HU0000710942
Start:	08/07/2012
Currency:	PLN
Total Net Asset Value of the whole Fund:	15,956,549,430 HUF
Net Asset Value of institutional series:	127,996,559 PLN
Net Asset Value per unit:	1.409890 PLN

INVESTMENT POLICY OF THE FUND:

The aim of the investment fund is to give investors access to the Polish bond market and to function as a relatively stable, medium-risk investment already medium term, offering our customers stable real returns without the need to tie up their savings for a fixed period. The fund primarily invests into Zloty denominated Polish government bonds but the portfolio manager has some room to use other fixed income investments. We aim to maximise returns with the given risk level. Our investment decisions are based on fundamental research extended by technical research while we also take into account global market sentiment. Expected shifts in the yield curve based on our macro expectations are at the core of our investment process. Risk/return characteristics are also considered when we select suitable and safe investments. We aim to totally hedge any currency risk in the fund.

DISTRIBUTORS

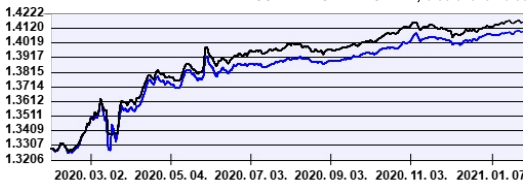
Aegon Towarzystwo Ubezpieczen na Zycie Spolka

NET YIELD PERFORMANCE OF THE SERIES:

Interval	Yield of note	Benchmark yield
From start	4.13 %	4.68 %
2020	6.00 %	6.42 %
2019	3.73 %	3.94 %
2018	4.17 %	4.67 %
2017	4.17 %	4.77 %
2016	0.22 %	0.25 %
2015	0.83 %	1.68 %
2014	9.56 %	9.45 %
2013	0.46 %	1.99 %

NET PERFORMANCE OF THE SERIES

NET ASSET VALUE PER SHARE, 02/01/2020 - 01/31/2021



— Aegon Polish Bond Fund institutional 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.

TOP 5 POSITIONS

Asset	Type	Counterparty / issuer	Maturity
POLGB 2021/07/25 1,75%	interest-bearing	Lengyel Allam (PL)	2021. 07. 25.
POLGB 2025/04/25 0,75%	interest-bearing	Lengyel Allam (PL)	2025. 04. 25.
BGOSK 07/03/25 1,25%	interest-bearing	Bank Gospodarstwa Krajowego (PL)	2025. 07. 03.
POLGB 2028/04/25 2,75%	interest-bearing	Lengyel Allam (PL)	2028. 04. 25.
BGOSK 2030/06/05 2,125%	interest-bearing	Bank Gospodarstwa Krajowego (PL)	2030. 06. 05.

MARKET SUMMARY:

In the first month of the new year, the Polish bond market had a mixed performance. Yields increased mainly at the 5-year maturity (16 basis points), but the 3-year maturity also closed the month slightly higher. However, the long end of the yield curve decreased by 5-6 basis points. Thus, the yield curve slightly flattened. Moving on to economic data, Polish GDP contracted by 2.8% in 2020. However, based on the expectations in January, the economic growth is expected to reach 3.7% in 2021 and 4.4% in 2022. Better-than-expected macro data would justify higher yields, but they are offset by global liquidity and QE programs. Year-on-year inflation slowed to 2.4% in December, bringing the average annual inflation to 3.4% in Poland. The government has allowed retail stores to reopen from February 1, so consumption could pick up again, which could also have an impact on prices. The Purchasing Managers' Index rose from 51.7 in December to 51.9 in January, exceeding market expectations. New orders have risen for the second month in a row, but the output is still on a declining trend. Industrial production grew by 11.2% in the last month of the year, outperforming market expectations. In November, the current account-to-GDP ratio reached 3.7%, the highest level since the mid-1990s.

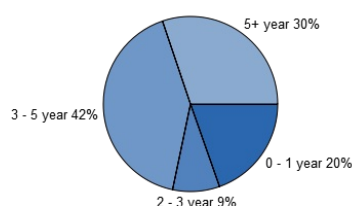
ASSET ALLOCATION OF THE FUND ON 01/31/2021

Asset type	Weight
Government bonds	60.72 %
Corporate bonds	37.01 %
Current account	4.28 %
Liabilities	-1.94 %
Receivables	0.01 %
Market value of open derivative positions total	-0.08 %
Derivative products	100.00 %
Net corrected leverage	20.54 %
	109.36 %

Assets with over 10% weight

POLGB 2021/07/25 1,75% (Lengyel Allam)
POLGB 2025/04/25 0,75% (Lengyel Allam)
BGOSK 07/03/25 1,25% (Bank Gospodarstwa Krajowego)

Bonds by tenor:



RISK INDICATORS FOR THE LAST 12 MONTHS:

Annualized standard deviation of the fund's weekly yields:	4.16 %
Annualized standard deviation of the benchmark's weekly yields:	3.46 %
WAM (Weighted Average Maturity):	4.20 years
WAL (Weighted Average Life):	4.45 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