

## INVESTMENT POLICY OF THE FUND

The Fund aims to share in the returns of the Polish stock market, and to profit from Polish economic growth through stock prices and dividend income. In accordance with the risk characteristics of equity investments, the Fund qualifies as a high-risk investment. According to the Fund Manager's intentions, the bulk of the Fund's portfolio is made up of the shares of foreign companies issued through public offerings. The primary investment targets are the securities, traded on the stock exchange or about to be listed on the stock exchange, of companies that operate in Poland or that derive a significant portion of their revenues from Poland, or whose shares are listed on the Warsaw Stock Exchange. The Fund may also invest in equities of other Central and Eastern European companies (Austria, Czech Republic, Hungary, Russia, Romania and Turkey). When developing the portfolio, the shares determine the nature of the Fund, and thus the proportion of shares that can be held in the Fund at any given time may reach the prevailing legal maximum. The Fund holds more than 30% of its assets in currencies other than the local currency (HUF).

## MARKET SUMMARY

At the beginning of February, investors were mostly concerned about how much and at what pace the US Federal Reserve would raise interest rates in 2022, but unfortunately this has been overshadowed by events in Ukraine. The odds of a rate hike have dropped significantly since the outbreak of the war, but even now we can be sure that the Fed will start the rate hike cycle. However, the armed conflict between Russia and Ukraine has completely changed the investment world. On February 24th, 2022, the Russian army launched a full-scale invasion of Ukraine. The emergence of an open war between Russia and Ukraine had previously seemed completely irrational to us, as no global superpower had launched a war of territorial aggression since World War II. Commodity prices have risen significantly in recent weeks, and not only the price of gold or oil, but also the price of wheat is close to all-time highs. So while the economy continues to slow down, inflation is at a 40-year high. Slowing economic activity in a rising inflationary environment is unfavorable for risk assets. Almost nothing other than commodity-linked sectors are performing well in a stagflationary environment, and this poses a serious challenge for economic agents. The Hungarian National Bank continued to raise interest rates in February in response to the high inflation numbers. The EURHUF exchange rate was stable until the outbreak of the Russian-Ukrainian war, but by the end of the month the forint had fallen to a new all-time low against the euro and the dollar.

For Polish companies, the exposure to Russia and Ukraine is low. The largest direct exposure is to clothing retailer LPP, which generated approximately 30% of its profits in CIS countries, compared to 10% for Amrest. For companies involved in oil refining, the stability of Russian oil imports is a risk. The direct exposure of Polish banks is negligible. However, taking into account the risks mentioned above, we believe that in the short term, these price levels are considered extremely low, especially for consumer goods and banks. The fund ended the month with a loss, underperforming its benchmark. We are slightly overweight Polish banks, which accounted for a large part of the underperformance. In February, we were still slightly overweight the retail sector, but underweight the Russian market. During the month, we downgraded the oil sector to neutral. The gaming, telecom, and information sectors are underweight, with the utilities sector also slightly underweight. In November, the mid-cap sector remained overweight against the large-cap exposure. The fund is overweight against the benchmark index at 104%.

## GENERAL INFORMATION

Fund Manager:	AEGON Hungary Fund Manager Ltd.
Custodian:	Unicredit Bank Hungary Zrt.
Main distributor:	AEGON Hungary Fund Manager Ltd.
Benchmark composition:	100% MSCI Poland IMI Loc Net
ISIN code:	HU0000710850
Start:	11/18/2011
Currency:	PLN
Net Asset Value of the whole Fund:	50,812,814 PLN
Net Asset Value of institutional series:	30,990,963 PLN
Net Asset Value per unit:	1.226072 PLN

## DISTRIBUTORS

Aegon Towarzystwo Ubezpieczen na Zycie Spolka

## SUGGESTED MINIMUM INVESTMENT PERIOD

3 mths	6 mths	1 yr	2 yr	3 yr	4 yr	5 yr
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## ASSET ALLOCATION OF THE FUND

Asset	Weight
International equities	93.33 %
Hungarian equities	1.42 %
Current account	4.79 %
Receivables	1.78 %
Liabilities	-1.32 %
<b>Total</b>	<b>100,00 %</b>
Derivative products	9.94 %
Net corrected leverage	108.76 %

## Assets with over 10% weight

PKO Bank

Bank Pekao SA

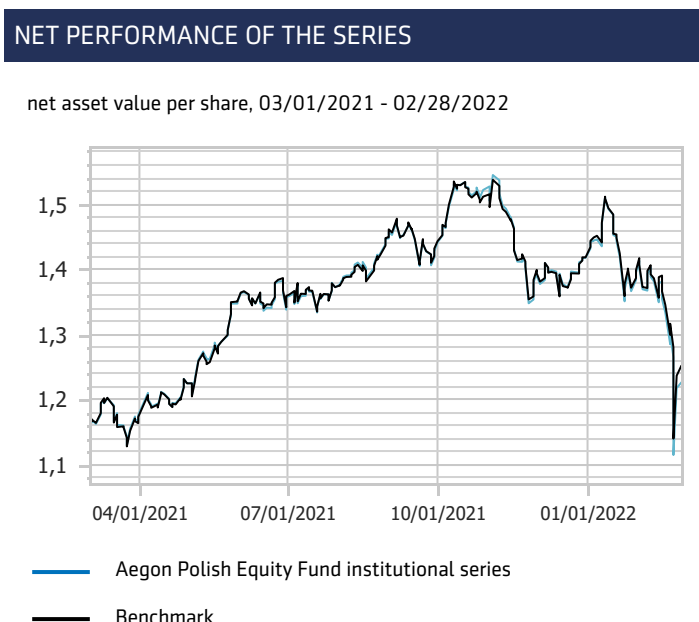
## RISK PROFILE

1	2	3	4	5	6	7
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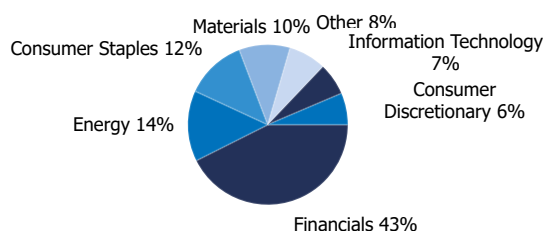
← Lower risk

Higher risk →

NET YIELD PERFORMANCE OF THE SERIES		
Interval	Yield of note	Benchmark yield
From start	2.00 %	0.75 %
2021	21.81 %	21.27 %
2020	-8.26 %	-9.83 %
2019	-3.36 %	-3.85 %
2018	-10.44 %	-11.48 %
2017	21.83 %	21.15 %
2016	11.88 %	9.38 %
2015	-10.34 %	-11.98 %
2014	-0.78 %	-2.02 %
2013	0.69 %	-1.47 %
2012	24.40 %	16.71 %



### Stocks by sectors



RISK INDICATORS FOR THE LAST 12 MONTHS

Annualized standard deviation of the fund's weekly yields	18.69 %
Annualized standard deviation of the benchmark's weekly yields	18.12 %
WAM (Weighted Average Maturity)	0.00 years
WAL (Weighted Average Life)	0.00 years

TOP 5 POSITIONS

Asset	Type	Counterparty / issuer	Maturity
PKO Bank	share	PKO Bank	
Bank Pekao SA	share	Bank Pekao SA	
MIDWIG INDEX FUT Mar22 Buy	derivativ	Erste Bef. Hun	03/18/2022
KGHM Polska SA	share	KGHM Ploska SA	
POWSZECHNY ZAKŁAD UBEZPIECZEŃ	share	POWSZECHNY ZAKŁAD UBEZPIECZEŃ	

### Legal declaration

The recent document qualifies as Portfolio Report according to the Kbfv. requirements. It contains the following elements based on the last net asset value of the reporting month: presentation of the assets of the fund regarding asset type of portfolio investment and regarding other categories detailed in its investment policy; list of assets (issuers) representing more than 10% of the portfolio; net asset value of the fund, including the cumulated and the calculated value per unit share. Investors are kindly advised, that past performance of the fund does not guarantee future performance. The returns presented are to be considered without applicable taxes, distribution fees and commissions, fees related to account keeping and other costs in relation with holding an investment fund unit. Information presented in the Portfolio Report are for information purposes only, not intended to serve as investment advice, or any other offer. Investors are kindly advised to carefully read the Key Investors Document and Prospectus of the fund, in order to understand the risks of investing into the fund, and to be able to make an informed investor decision. The referred documents are available at the distribution locations and on the official website of Aegon Alapkezelő Zrt. Aegon Magyarország Befektetési Alapkezelő Zrt. | 1085 Budapest, Kálvin tér 12-13. | +36 1 477 4814 | alapkezel@egon.hu | www.aegonalapkezelo.hu