

INVESTMENT POLICY OF THE FUND

The objective of the investment fund is to make the Polish bond market accessible to the investors, and to function as a relatively stable, medium-risk investment form bringing steady real yields to our Clients on middle term already, without having to tie down their money for a fixed period of time. The Fund mainly invests in Polish government securities issued in zloty, however, the portfolio manager has some room to complement the portfolio with other bond-type investments. Our goal is to achieve the highest yield while taking the lowest risk. To make investment decisions we use the tools of both fundamental and technical analysis, and we take into consideration the investor sentiment on the markets at all times. The portfolio manager seeks out potential investment opportunities based on the macro-economical expectations, the expected yield curve, the return expected on the curve and the market volatility, and selects investments that are considered to be safe and bring relatively high yields in exchange for the risks taken. The Fund strives for complete exchange risk coverage of foreign currency exposure for the target currency.

MARKET SUMMARY

The Polish bond market had a mixed performance in May. The rate hike cycle continued, but contrary to market expectations of 100 basis points, the central bank raised interest rates by 75 basis points, bringing the base rate from 4.5% to 5.25%. The short end of the yield curve remained stable throughout the month. Three-year yields were 18 basis points lower compared to the beginning of the month, but 10-year yields continued to rise, ending the month 25 basis points higher. We witnessed a significant volatility: 5Y yields approached 7,5% in the first part of the month, later on fell to 6,7% and ended May around 7% again. According to preliminary data, inflation in May rose to 13.9% year-on-year from April's 12.4%, finishing again above market expectations. The figure represents the highest level since October 1997 and was mainly driven by higher fuel and energy prices. Food prices also continued to rise, with an annual increase of 13.5%. Regarding the economic growth, the Polish economy grew by 8.5% year-on-year in the first quarter, beating market expectations. All sectors made a positive contribution to growth, with industry, construction and transport and storage making outstanding contributions. Annual GDP growth is thus expected to be around 5%. However, a slowdown could start in the coming months as a result of higher energy prices and interest rate hikes cycles. The Purchasing Managers' Index fell to 48.5 points in May from 52.4 points in April, a two-year low. New orders fell sharply, with supply-side problems still weighing on production. Previous inventory buildup may lead to slower growth as well. Industrial production grew 13% in April, below market expectations of 16.2%. As for public finances, the state generated a surplus of PLN 9 474.66 million in the fourth month, bringing the 12-month rolling budget deficit to 0.96% of GDP. During May we tried to fine-tune the portfolio: we bought slight overweight position in Polish bonds when yields increased significantly above 7%, and we decreased our interest rate exposure, when yields fell significantly below 7%.

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
Net Asset Value of the whole Fund:	14,292,355,038 HUF
Net Asset Value of I series:	120,963,596 PLN
Net Asset Value per unit:	1.094643 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
Government bonds	55.02 %
Corporate bonds	40.30 %
Receivables	25.01 %
Liabilities	-24.93 %
Current account	4.25 %
Market value of open derivative positions	0.35 %
Total	100,00 %
Derivative products	12.20 %
Net corrected leverage	104.78 %

Assets with over 10% weight

POLGB 2026/07/25 2,5% (Lengyel Állam)
POLGB 2026/10/25 0,25% (Lengyel Állam)
BGOSK 07/03/25 1.25% (Bank Gospodarstwa Krajowego)
POLGB 2030/10/25 1,25% (Lengyel Állam)

RISK PROFILE

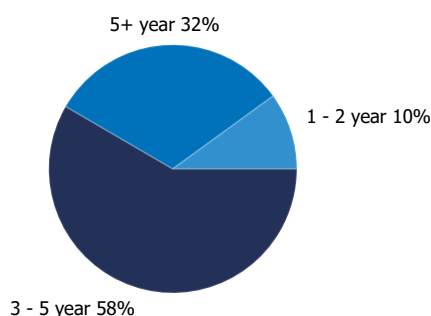
1	2	3	4	5	6	7
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← Lower risk Higher risk →

NET YIELD PERFORMANCE OF THE SERIES

Interval	Yield of note	Benchmark yield
From start	0.93 %	2.01 %
2021	-10.34 %	-9.74 %
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 %

Bonds by tenor:



NET PERFORMANCE OF THE SERIES

net asset value per share, 06/01/2021 - 05/31/2022



RISK INDICATORS FOR THE LAST 12 MONTHS

Annualized standard deviation of the fund's weekly yields	8.87 %
Annualized standard deviation of the benchmark's weekly yields	6.36 %
WAM (Weighted Average Maturity)	4.34 years
WAL (Weighted Average Life)	4.93 years

TOP 5 POSITIONS

Asset	Type	Counterparty / issuer	Maturity
POLGB 2026/07/25 2,5%	interest-bearing	Lengyel Állam	07/25/2026
POLGB 2026/10/25 0,25%	interest-bearing	Lengyel Állam	10/25/2026
BGOSK 07/03/25 1.25%	interest-bearing	Bank Gospodarstwa Krajowego	07/03/2025
POLGB 2030/10/25 1,25%	interest-bearing	Lengyel Állam	10/25/2030
BGOSK 2030/06/05 2,125%	interest-bearing	Bank Gospodarstwa Krajowego	06/05/2030

Legal declaration

The recent document qualifies as Portfolio Report according to the Kbtv. 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@aeon.hu | www.aegonalapkezelo.hu