

**Computation of Reportable Income**  
**Danske Invest PCC Ltd - Danske Invest Hedge Fixed Income Relative Value Fund**  
**Cover schedule**

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Agent's ref: LS/FSTax/DD/DS/DL
- 2) Name of fund Danske Invest PCC Ltd - Danske Invest Hedge Fixed Income Relative Value Fund
- 3) Change of name since last submission No
- 4) Tax Reference Number D0088
- 5) Reporting period 1 January 2018 - 31 December 2018
- 6) Type of fund Open-ended protected cell investment company
- 7) GAAP Luxembourg GAAP

8) Information required by Regulation 106(1)

(a) A copy of the final audited accounts for the period	✓	Enclosed
(b) A computation of the fund's reportable income	✓	See Schedule A
(c) A copy of the reports provided to participants	✓	Enclosed
(d) The reported income of the fund	✓	See Schedule A.1
(e) The amount actually distributed in respect of the period	✓	See Schedule A.3
(f) The number of units in issue at the end of the period	✓	See Schedule A.2
(g) The reported income per unit of interest	✓	See Schedule A.2
(h) Declaration of compliance with Regs 53 and 58	✓	Enclosed

9) Share class scope

Share class name	ISIN	HMRC Reference	Reporting Period		
DKK Sub-Class W	GG00BZ05S054	D0088-0001	01 January 2018	to	31 December 2018

**Computation of Reportable Income**  
**Danske Invest PCC Ltd - Danske Invest Hedge Fixed Income Relative Value Fund**  
**Schedule A: Computation of Excess Reportable Income**

A.1 Computation of Reportable Income

	DKK Sub-Class W
	DKK
	Ref
Figure equivalent to total comprehensive income for the period	
NET INCREASE IN NET ASSETS AS A RESULT OF OPERATIONS	C.1 <u>12,114,753</u>
Adjustments arising from investments of the fund	
Adjustments for capital items under Regs 64-65	B.1 1,895,181
Adjustment for effective interest under Reg 66	B.2 (80,738,335)
Adjustment for income from wholly owned subsidiaries under Reg 67	B.3 Nil
Adjustments for income from other offshore funds under Regs 68-71	B.4 Nil
Total adjustments	<u>(78,843,154)</u>
Adjusted figure	<u>(66,728,401)</u>
No further adjustment required for funds not operating equalisation or adjustments	
Total adjusted figure	<u><u>(66,728,401)</u></u>
Reportable income for the period	<u><u>Nil</u></u>

A.2 Computation of Reported Income per unit

Reported income of the fund	A.1 Nil
Distributions to participants in respect of the period	A.3 Nil
Excess reportable income per Reg 94(1)	Nil
Number of units in issue at the period end	<u>838,125</u>
Excess per unit to be treated as additional distributions	<u><u>Nil</u></u>

A.3 Distributions to participants in respect of the period

No distributions were paid in respect of the period 1 January 2018 - 31 December 2018.

## Computation of Reportable Income

### Danske Invest PCC Ltd - Danske Invest Hedge Fixed Income Relative Value Fund Schedule B: Adjustments required in calculating reportable income

#### B.1 Adjustments for capital items and miscellaneous items

		DKK Sub-Class W	
		DKK	
Item	Reason for adjustment	Ref	
The following items require to be adjusted for as Capital Items under Regs 64 and/or 65:			
Net realised gain / (loss) on sale of investments	Deduct capital gains	C.1	8,491,680
Net realised profit/(loss) on sale of options	Add back capital losses	C.1	409,273
Net realised gain / (loss) on forward foreign exchange contracts	Deduct capital gains	C.1	(17,931,747)
Net realised gain on futures contracts	Add back capital losses	C.1	4,276,971
Net realised gain / (loss) on foreign exchange	Deduct capital gains	C.1	(20,668,953)
Net realised gain / (loss) on swaps	Deduct capital gains	C.1	(34,194,839)
Change in net unrealised appreciation / (depreciation) on:			
- investments	Add back capital losses	C.1	42,232,229
- forward foreign exchange contracts	Deduct capital gains	C.1	6,578,877
- futures contracts	Deduct capital gains	C.1	(989,380)
- swaps	Add back capital losses	C.1	6,476,046
- options	Add back capital losses	C.1	62,693
Performance fees	Disallowable expense	C.1	7,152,331
Adjustments for capital items and miscellaneous items under Regs 64-65		A.1	<u><u>1,895,181</u></u>

#### B.2 Adjustment for effective interest

The fund does not operate effective interest on interest bearing securities in line with the UK SORP. Therefore, we have calculated an adjustment, the total of which is shown below

Adjustment for effective interest under Reg 66	A.1	<u><u>(80,738,335)</u></u>
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#### B.3 Adjustment for income from wholly owned subsidiaries

The Fund had no subsidiaries meeting the definition of a wholly owned subsidiary in the period.

Adjustment for wholly owned subsidiaries	A.1	<u><u>-</u></u>
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#### B.4 Adjustment for income from other offshore funds

The Fund has no holding in offshore funds, therefore no adjustment is required.

Adjustments for income from other offshore funds under Regs 68-71	A.1	<u><u>-</u></u>
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#### B.5 Adjustment for funds operating equalisation, and choice of equalisation or income adjustment

The fund has elected not to apply equalisation, nor to make income adjustments.

Adjustments for funds operating equalisation under Reg 72	A.1	<u><u>-</u></u>
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**Computation of Reportable Income**  
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**Schedule C: Analysis of accounts**

C.1 Analysis of accounts

Ref.

	DKK Sub-Class W	Total of non-reporting shares	Total
	DKK	DKK	DKK
<b>INCOME</b>			
Interest on bonds, net	56,680,371	211,588,032	268,268,403
Interest on bank account and time deposit	232,418	863,570	1,095,988
Interest on swaps	56,575,118	211,013,478	267,588,596
Other income	18,649	70,835	89,484
<b>TOTAL INCOME</b>	<b>113,506,556</b>	<b>423,535,915</b>	<b>537,042,471</b>
<b>EXPENSES</b>			
Management fees	8,934,026	26,078,286	35,012,312
Performance fees	7,152,331	27,526,103	34,678,434
Interest on repos	26,057,831	97,202,322	123,260,153
Domiciliation, administration and transfer agent fees	413,011	1,563,063	1,976,074
Bank charges and correspondent fees	602,572	2,250,303	2,852,875
Bank interest and interest on reverse repos	9,409,745	35,082,760	44,492,505
Interest on swaps	52,738,287	196,610,507	249,348,794
Amortisation of formation expenses	-	22,714	22,714
Operating and administrative fees	1,324,668	4,919,675	6,244,343
Other charges	16,482	35,852	52,334
<b>TOTAL EXPENSES</b>	<b>106,648,953</b>	<b>391,291,585</b>	<b>497,940,538</b>
<b>NET INCOME / (LOSS) FROM OPERATIONS</b>	<b>6,857,603</b>	<b>32,244,330</b>	<b>39,101,933</b>
Net realised gain / (loss) on sale of investments	B.1 (8,491,680)	(32,389,406)	(40,881,086)
Net realised profit/(loss) on sale of options	B.1 (409,273)	(1,366,559)	(1,775,832)
Net realised gain / (loss) on forward foreign exchange contracts	B.1 17,931,747	(3,192,416)	14,739,331
Net realised gain on futures contracts	B.1 (4,276,971)	(16,501,527)	(20,778,498)
Net realised gain / (loss) on foreign exchange	B.1 20,668,953	16,497,403	37,166,356
Net realised gain / (loss) on swaps	B.1 34,194,839	127,270,728	161,465,567
<b>NET REALISED GAIN / (LOSS) ON INVESTMENTS</b>	<b>66,475,218</b>	<b>122,562,553</b>	<b>189,037,771</b>
Change in net unrealised appreciation / (depreciation) on:			
- investments	B.1 (42,232,229)	(149,174,839)	(191,407,068)
- forward foreign exchange contracts	B.1 (6,578,877)	12,139,787	5,560,910
- futures contracts	B.1 989,380	2,952,318	3,941,698
- swaps	B.1 (6,476,046)	(24,902,686)	(31,378,732)
- options	B.1 (62,693)	(268,493)	(331,186)
<b>NET INCREASE IN NET ASSETS AS A RESULT OF OPERATIONS</b>	<b>A.1 12,114,753</b>	<b>(36,691,360)</b>	<b>(24,576,607)</b>

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**Schedule D: Summary of information reported to investors**

D.1 Figures reported to investors

The following summarises the information required to be reported to investors in compliance with Regulation 92(1)

The table is set out according to the sub-sections of Regulation 92(1), as follows:

- a) Amount actually distributed to participants per share
- b) Excess of reported income per share over amount actually distributed
- c) Dates on which distributions were made
- d) Fund distribution date
- e) The fund remains a reporting fund at the date reports are made

	CCY	(a)	(b)	(c)	(d)	(e)
DKK Sub-Class W	DKK	Nil	Nil	N/A	30-Jun-2019	Yes

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**Schedule DER: Adjustments for derivatives**

DER.1 Derivatives

The fund held the following derivative contracts during the period. Differences between the treatment per accounts and the corresponding UK accounting treatment under the IMA SORP are summarised below and any adjustments required are made in Schedule C to break down the returns and treat capital and revenue elements correctly.

Derivative type	Accounting treatment per financial statements	Corresponding UK accounting treatment	Adjustment required in computation of reportable income
Forward foreign exchange contracts	Capital	Capital	No
Future contracts	Capital	Capital	No
Options	Capital	Capital	No
Interest rate swaps	Capital with income elements accounted for in revenue	Capital with income elements accounted for in revenue	No