

Objectives and investment policy

Objectives

The objective of the fund is to generate high absolute return. The fund is accumulating.

Investment policy

The fund mainly invests in long and short positions in bonds and fixed income markets primarily in the Nordic, but also Euroland, UK and US. The fund aims to utilise imbalances in the markets by investing in both traditional government bonds and mortgage bonds as well as financial derivative instruments.

The fund aims to protect the Investments by hedging the interest rate risk fully or partially, as well as by investing in a number of different strategies. The gross exposure is capped at 150 times the value of net assets.

The investment strategy is active. This means that there may be significant differences in the return relative to the alternative investment fund's target.

Latest fund report

In July, Danske Invest Hedge Fixed Income Strategies Fund, DKK Sub-Class A provided a return of 1,03%. For the year 2018 the portfolio provided a return of 2.56%.

In May the financial market came under severe stress due to the new Italian government lead by populists 5S and Liga. Interest rates in core Europe and Denmark fell sharply and credit spread widened. The markets has been calmer in June and July.

We did not have any positions in Italy, but we have tried to take advantage of the volatility by implementing a number of new strategies.

Performance in July came from several positions. The main contribution came from outright positions, positions in Cross Currency Swaps, but also NOK and SEK Covered bonds contributed nicely to the performance.

For the rest of 2018 focus could likely be on Italy and the increased volatility in the financial markets in general.

Historical returns are no reliable indicator of future returns. It should be noted that monthly returns (in per cent) are non-additive.

Manager



Name:
Michael Petry
Danske Bank Asset Management
Title:
Chief Portfolio Manager
Background:
HD (Finansiering)
Years of experience:
23

Basic information

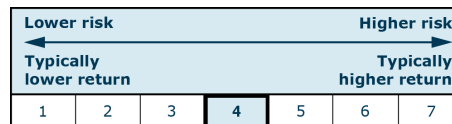
| | |
|-------------------------------------|------------------------------|
| ISIN code | GB00B0XNFF59 |
| Bloomberg ticker | DANHFIA GU |
| Currency | DKK |
| Total assets, mill. DKK, 13.08.2018 | 7,924.2 |
| Net asset value (NAV), 13.08.2018 | 4,076.11 |
| Minimum initial investment | DKK 10,000 |
| Management fee | 1.00% |
| Sub-fund of | Danske Invest PCC Limited |
| Fund domicile | Guernsey |
| Management company | Danske Invest Management A/S |

Charges

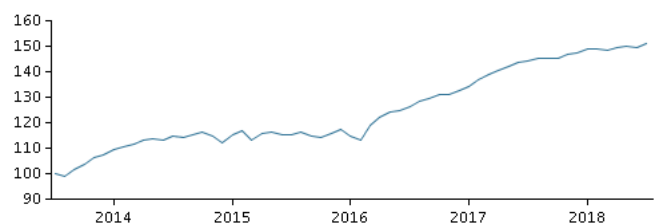
| | |
|---|-------|
| Ongoing charge | 1.20% |
| Max. entry charge | 5.00% |
| Max. exit charge | 1.00% |
| Performance fee: 20% of the return above hurdle rate (Risk-free rate). In the fund's last financial year the performance fee was 0.00%. | |

Risk indicator

The indicator illustrates the typical correlation between the risk and your potential return of the investment.

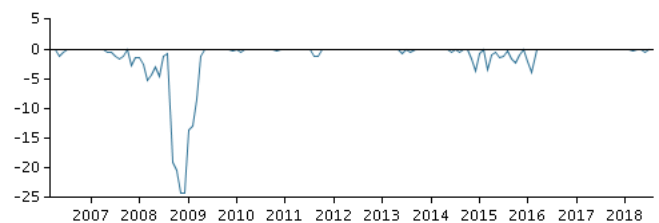


Return in the period: 31.07.2013 - 31.07.2018



The default for the chart is the return for the past 5 years as of end of month or, if the fund is less than 5 years old, since launch. Past performance is not a reliable indicator of future results.

Drawdown



Monthly return

| | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | YTD |
|-------------|-------|-------|-------|------|------|-------|------|-------|-------|-------|-------|-------|-------|
| 2018 | 1.13 | 0.13 | -0.34 | 0.74 | 0.35 | -0.50 | 1.03 | | | | | | 2.56 |
| 2017 | 1.45 | 1.77 | 1.48 | 1.21 | 1.15 | 1.15 | 0.39 | 0.62 | 0.24 | -0.02 | 0.82 | 0.31 | 11.09 |
| 2016 | -2.15 | -1.76 | 5.10 | 2.90 | 1.56 | 0.55 | 1.10 | 1.75 | 0.84 | 1.34 | -0.00 | 0.96 | 12.66 |
| 2015 | 2.87 | 1.43 | -3.36 | 2.32 | 0.42 | -0.86 | 0.23 | 0.89 | -1.32 | -0.57 | 1.23 | 1.57 | 4.78 |
| 2014 | 2.11 | 0.87 | 1.00 | 1.33 | 0.40 | -0.47 | 1.71 | -0.56 | 0.65 | 1.14 | -1.60 | -2.07 | 4.51 |
| 2013 | 2.11 | 1.06 | 1.87 | 2.43 | 2.21 | -0.70 | 0.77 | -0.61 | 2.21 | 2.25 | 2.79 | 0.72 | 18.44 |
| 2012 | 5.92 | 3.55 | 3.52 | 1.12 | 0.06 | 3.18 | 3.48 | 1.44 | 0.99 | 2.26 | 2.18 | 1.35 | 33.07 |

This factsheet which is issued by Danske Bank is not an offer to purchase or sell shares in the funds. Subscriptions for shares in the funds will be accepted only on the basis of the most recent prospectus which can be obtained from www.danskehedge.com. Danske Invest PCC Limited is a Protected Cell Company, incorporated under the Companies (Guernsey) Law, 2008 ("the Law"). The Fund is a Cell in Danske Invest PCC Limited. Licencee is RBC Offshore Fund Managers Limited having its address at, PO Box 246, Canada Court, Upland Road, St Peter Port, Guernsey, Channel Islands GY1 3QE.

Prices, rates and values are provided for information purposes only and are indicative unless otherwise stated. Such prices, rates and values do not necessarily represent the terms at which a new transaction can be executed or an existing transaction can be liquidated. Historical returns are no guarantee of future returns. This publication is not intended for any U.S. person within the meaning of the United States Securities Act of 1933, as amended nor any person in the UK.