

**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/RB/BMC
- 2) Name of fund Danske Invest PCC Ltd - Danske Invest Hedge Fixed Income Relative Value Fund
- 3) Change of name since last submission N/A
- 4) Tax Reference Number D0088
- 5) Reporting period 1 January 2017 - 31 December 2017
- 6) Type of fund Open-ended protected cell investment company
- 7) GAAP Luxembourg GAAP

- 8) Information required by Regulation 106(1)
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|--|---|------------------|
| (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 2017	to	31 December 2017

**Computation of Reportable Income**  
**Danske Invest PCC Ltd - Danske Invest Hedge Fixed Income Relative Value Fur**  
**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>34,547,259</u>
Adjustments arising from investments of the fund	
Adjustments for capital items under Regs 64-65	B.1 (37,396,451)
Adjustment for effective interest under Reg 66	B.2 2,466,154
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>(34,930,297)</u>
Adjusted figure	<u>(383,038)</u>
No further adjustment required for funds not operating equalisation or adjustments	
Total adjusted figure	<u><u>(383,038)</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>776,757.97</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 2017 - 31 December 2017

## 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	Add back capital losses	C.1	7,775,912
Net realised gain / (loss) on forward foreign exchange contracts	Deduct capital gains	C.1	(6,120,277)
Net realised gain on futures contracts	Deduct capital gains	C.1	(6,283,194)
Net realised gain / (loss) on foreign exchange	Deduct capital gains	C.1	(65,965,749)
Net realised gain / (loss) on swaps	Add back capital losses	C.1	751,724
Change in net unrealised appreciation / (depreciation) on:			
- investments	Add back capital losses	C.1	52,393,994
- swaptions	Add back capital losses	C.1	210,537
- forward foreign exchange contracts	Deduct capital gains	C.1	(4,031,252)
- futures contracts	Deduct capital gains	C.1	(1,613,434)
- swaps	Deduct capital gains	C.1	(14,322,550)
- Options	Deduct capital gains	C.1	(192,162)
Adjustments for capital items and miscellaneous items under Regs 64-65		A.1	<u><u>(37,396,451)</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>2,466,154</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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**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		14,468,259	109,119,563	123,587,822
Interest on bank account and time deposit		101,907	849,603	951,510
Interest on repos		(458,088)	2,033,388	1,575,300
Interest on swaps		40,009,981	203,847,869	243,857,850
<b>TOTAL INCOME</b>		<b>54,122,059</b>	<b>315,850,423</b>	<b>369,972,482</b>
<b>EXPENSES</b>				
Management fees		2,656,736	27,208,104	29,864,840
Performance fees		3,661,552	66,567,612	70,229,164
Custodian fees		3,947	467,196	471,143
Interest on repos		5,678,165	59,748,382	65,426,547
Domiciliation, administration and transfer agent fees		728,329	3,663,930	4,392,259
Audit fees, printing and publishing expenses		3,953	215,849	219,802
Bank charges and correspondent fees		332,984	1,951,093	2,284,077
Bank interest and interest on reverse repos		3,536,346	21,183,000	24,719,346
Interest on swaps		40,356,332	204,648,667	245,004,999
Amortisation of formation expenses		-	27,407	27,407
Other charges		12,906	253,704	266,610
<b>TOTAL EXPENSES</b>		<b>56,971,251</b>	<b>385,934,943</b>	<b>442,906,194</b>
<b>NET INCOME / (LOSS) FROM OPERATIONS</b>		<b>(2,849,192)</b>	<b>(70,084,520)</b>	<b>(72,933,712)</b>
Net realised gain / (loss) on sale of investments	B.1	(7,775,912)	(7,063,598)	(14,839,510)
Net realised gain / (loss) on forward foreign exchange contracts	B.1	6,120,277	53,012,283	59,132,560
Net realised gain on futures contracts	B.1	6,283,194	54,423,421	60,706,615
Net realised gain / (loss) on foreign exchange	B.1	65,965,749	571,378,505	637,344,254
Net realised gain / (loss) on swaps	B.1	(751,724)	96,835,276	96,083,552
<b>NET REALISED GAIN / (LOSS) ON INVESTMENTS</b>		<b>66,992,392</b>	<b>698,501,367</b>	<b>765,493,759</b>
Change in net unrealised appreciation / (depreciation) on:				
- investments	B.1	(52,393,994)	(665,593,269)	(717,987,263)
- swaptions	B.1	(210,537)	(1,102,509)	(1,313,046)
- forward foreign exchange contracts	B.1	4,031,252	49,013,122	53,044,374
- futures contracts	B.1	1,613,434	(9,686,164)	(8,072,730)
- swaps	B.1	14,322,550	126,608,535	140,931,085
- Options	B.1	192,162	1,475,079	1,667,241
<b>NET INCREASE IN NET ASSETS AS A RESULT OF OPERATIONS</b>	A.1	<b>34,547,259</b>	<b>199,216,161</b>	<b>233,763,420</b>

## Computation of Reportable Income

### Danske Invest PCC Ltd - Danske Invest Hedge Fixed Income Relative Value Fund 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-2018	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
Swaptions	Capital	Capital	No