

Objectives and investment policy

Objectives

The objective of the fund is to generate high absolute return. The share class 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. The fund is categorized under SFDR as article 8 and promotes environmental and/or social characteristics, as well as good governance practices, through screening, restrictions, investment analysis and decision-making as well as active ownership. The fund follows Danske Invest PCC Limited's responsible investment policy. Subscription is only possible for investors with a portfolio management agreement with Danske Bank or other distributor as described in the Supplemental Scheme Particulars. Fund shares can normally be redeemed on banking days with one week's notice. Recommendation: This alternative investment fund may not be appropriate for investors who plan to withdraw their money within 3 years.

Latest fund report

In April, Danske Invest Hedge Fixed Income Strategies, DKK Sub-Class I provided a return of -1.54%. Year to date the return is -11.55%.

The escalating conflict between Russia & Ukraine followed by harsh sanctions has been driving market sentiment in recent weeks. Meanwhile, soaring energy prices has pushed inflation even higher causing a headache for central banks, as they will have to weigh a deterioration growth outlook versus ensuring price stability. So far, it seems like they have chosen price stability.

The elevated uncertainty and fear of an escalating war has had a severe impact on market liquidity in the fixed income markets.

We do not have any exposure against the Eastern European Countries, but we do have a number of strategies in the Nordic Countries, which has performed poorly. In particular has our outright positions, yield curve positions and our volatility positions contributed negative to performance.

At the end of April, the portfolio risk level (in terms of Value-at-Risk) is approx. 20% below our maximum risk limit, which is a small decrease compared to the beginning of the month.

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

Awards



Manager



Name:
Michael Petry
Danske Bank Asset Management
Title:
Chief Portfolio Manager
Background:
HD (Finansiering)
Years of experience:
27

Basic information

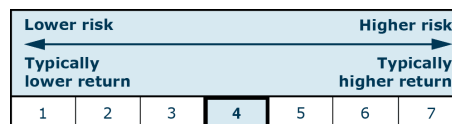
| | |
|-------------------------------------|------------------------------|
| ISIN code | GG00B64DZB21 |
| Bloomberg ticker | DANHFII GU |
| Currency | DKK |
| Total assets, mill. DKK, 10.05.2022 | 6,362.9 |
| Net asset value (NAV), 10.05.2022 | 1,790.00 |
| Minimum initial investment | DKK 10,000 |
| Management fee | 0.40% |
| Sub-fund of | Danske Invest PCC Limited |
| Fund domicile | Guernsey |
| Management company | Danske Invest Management A/S |

Charges

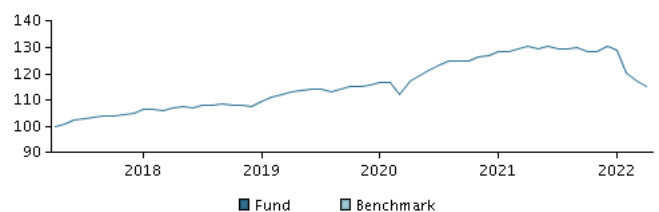
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|--|-------|
| Ongoing charge | 0.60% |
| Max. entry charge | 5.00% |
| Max. exit charge | 5.00% |
| Performance fee: 20% of the outperformance against the hurdle rate. In the fund's last financial year the performance fee was 0.63%. | |

Risk indicator

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

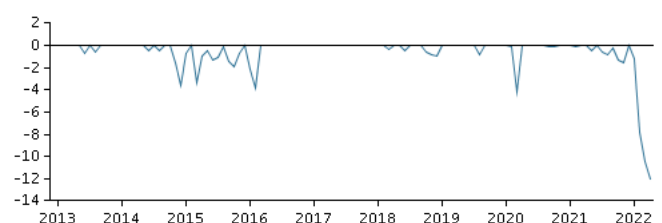


Return in the period: 28.04.2017 - 29.04.2022



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. Future returns may be negative. The return may increase and decrease as a result of currency fluctuations if the fund is issued in a currency other than the currency used in the country in which you are domiciled.

Drawdown



Monthly return

| | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | YTD |
|-------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|--------|
| 2022 | -1.19 | -6.66 | -2.59 | -1.54 | | | | | | | | | -11.55 |
| 2021 | 1.12 | -0.05 | 0.75 | 0.81 | -0.48 | 0.53 | -0.59 | -0.19 | 0.54 | -1.03 | -0.25 | 1.67 | 2.83 |
| 2020 | 1.07 | -0.15 | -4.01 | 4.97 | 1.59 | 1.46 | 1.93 | 1.24 | -0.15 | 0.01 | 1.42 | 0.30 | 9.87 |
| 2019 | 1.67 | 1.59 | 1.04 | 0.82 | 0.28 | 0.29 | 0.01 | -0.78 | 1.07 | 0.63 | 0.32 | 0.15 | 7.29 |
| 2018 | 1.17 | 0.17 | -0.31 | 0.79 | 0.39 | -0.46 | 1.07 | 0.10 | 0.53 | -0.53 | -0.29 | -0.15 | 2.50 |
| 2017 | 1.50 | 1.81 | 1.52 | 1.25 | 1.20 | 1.19 | 0.43 | 0.66 | 0.28 | 0.02 | 0.86 | 0.35 | 11.62 |
| 2016 | -2.10 | -1.71 | 5.11 | 2.94 | 1.60 | 0.59 | 1.14 | 1.79 | 0.88 | 1.39 | 0.04 | 0.99 | 13.19 |

