



**DANISH  
SHIP FINANCE**

Nasdaq Copenhagen A/S  
Nikolaj Plads 6  
Postboks 1040  
1007 Copenhagen

23 February 2023  
Company announcement no. 2

## **New Final Bond Terms for the Danish Ship Finance A/S Base Prospectus dated 11 July 2022**

Danish Ship Finance issues new floating rate non-callable bullet bond (SMB) with maturity date 1 January 2030.

In connection with the opening of new ISINs under the Danish Ship Finance A/S Base Prospectus dated 11 July 2022, Danish Ship Finance issues new Final Bond Terms.

The Final Bond Terms are stated below.

The Danish Ship Finance A/S Base Prospectus dated 11 July 2022 and the relevant Final Bond Terms are available for download on Danish Ship Finance A/S' website at <http://www.shipfinance.dk/investor-relations/>.

<b>ISIN</b>	<b>Capital Centre</b>	<b>Currency</b>	<b>Opening date</b>	<b>Maturity</b>
DK0004133568	Institute in General	DKK	24 February 2023	1 January 2030

Questions may be addressed to Head of Funding and Investor Relations, Jonas Kau, tel +45 33 33 93 33, [IR@skibskredit.dk](mailto:IR@skibskredit.dk)

**Final Terms dated 23 February 2023**  
**Danish Ship Finance A/S**  
**LEI code: 549300T70JXFWEXCK295**  
**Business Reg. No. (CVR-nr.): 27492649**  
**(“The Issuer”)**

**For the issue of Ship Mortgage Bonds (SMB)**

These final terms (“**Final Terms**”) shall only apply to Ship Mortgage Bonds (SMB) issued in the ISIN code stated below (“**Bonds**”). The Bonds are issued according to the Issuer’s base prospectus for the issue of Ship Covered Bonds (“**SCB**”), Ship Mortgage bonds (“**SMB**”) and bonds issued, pursuant to Section 2j of the Act (“**Senior Secured Bonds**”) dated on 11 July 2022 as supplemented by the supplement to the base prospectus dated 30 August 2022 (together, the “**Base Prospectus**”).

Together with the terms of the bonds in the Base Prospectus section 5 “TERMS AND CONDITIONS”, these Final Terms constitute the terms of the issued Bonds.

The total prospectus for the Bonds consists of the Base Prospectus and the Final Terms. Definitions stated in these Final Terms shall be understood in accordance with the definitions in section 5 “TERMS AND CONDITIONS” of the Base Prospectus. Definitions stated elsewhere in the Base Prospectus will have the same meaning in the Final Terms unless otherwise stated by the context.

The Issuer declares that:

- the Final Terms were prepared according to the Prospectus Regulation and must be read in connection with the Base Prospectus in order to obtain all relevant details about the Bonds
- the Base Prospectus, including any supplements, has been made available electronically on the Issuer’s website [www.shipfinance.dk](http://www.shipfinance.dk)
- the Base Prospectus, including any supplements, and the Final Terms must be read in order to obtain all information
- The summary of the Bonds has been attached as Appendix A to these Final Terms.

**MiFID II product management/target markets**

**MiFID II product governance / Retail investors, professional investors and eligible counterparties target market**

Solely for the purposes of the manufacturer’s product approval process, the target market assessment in respect of the Bonds has led to the conclusion that: (i) the target market for the Bonds is eligible counterparties, professional clients and retail clients, each as defined in Directive 2014/54/EU (as amended) (“**MiFID II**”); (ii) all channels for distribution of the Bonds are appropriate, subject to the distributor’s (as defined below) suitability and appropriateness obligations under MiFID II, as applicable. Any person subsequently offering, selling or recommending the Bonds (a “distributor”) should take into consideration the manufacturer’s target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Bonds (by either adopting or refining the manufacturer’s target market assessment) and determining appropriate distribution channels, subject to the distributor’s suitability and appropriateness obligations under MiFID II, as applicable.

**UK MiFIR product governance / Retail investors, professional investors and eligible counterparties target market**

Solely for the purposes of the manufacturer’s product approval process, the target market assessment in respect of the Bonds has led to the conclusion that: (i) the target market for the Bonds is retail clients, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (“**EUWA**”), and eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook (“**COBS**”), and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; and (ii) all channels for distribution of the Bonds are appropriate, including investment advice, portfolio management, non-advised sales and pure execution services, subject to the distributor’s (as defined below) suitability and appropriateness obligations under COBS, as applicable. Any person subsequently offering, selling or recommending the Bonds (a “**distributor**”) should take into consideration the

manufacturer's target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook is responsible for undertaking its own target market assessment in respect of the Bonds (by either adopting or refining the manufacturer's target market assessment) and determining appropriate distribution channels, subject to the distributor's suitability and appropriateness obligations under COBS, as applicable.

<b>Series/Capital Centre</b>	Institute in General
<b>Bond type</b>	SMBs
<b>ISIN</b>	DK0004133568
<b>Trading</b>	Nasdaq Copenhagen A/S
<b>First day of listing</b>	24 February 2023
<b>Currency</b>	DKK
<b>Denomination</b>	0.01
<b>Issue Price</b>	Not applicable
<b>Issue Date</b>	Not applicable
<b>Number of interest Payment Dates per year</b>	2
<b>Principal</b>	Not applicable
<b>Number of outstanding Bonds</b>	The number of outstanding Bonds will be announced regularly at Nasdaq Copenhagen A/S' website: <a href="http://www.nasdaqomxnordic.com">www.nasdaqomxnordic.com</a>
<b>Interest Basis</b>	Floating Rate Bonds
<b>Interest Coupon</b>	Reference Rate + Interest Rate Spread
<b>Reference Rate</b>	CIBOR 6M DKK. CIBOR is provided by Danish Financial Benchmark Facility (the " <b>Administrator</b> "). On the date of these Final Bond Terms, the Administrator is included in the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority, in accordance with Article 36 of Regulation (EU) 2016/1011 (the " <b>Benchmarks Regulation</b> ").
<b>Interest Rate Spread(s)</b>	0.5 percentage per annum
<b>Derivative Components</b>	Not applicable
<b>Minimum Interest Coupon</b>	Not applicable
<b>Maximum Interest Coupon</b>	Not applicable
<b>Fixing methods</b>	Second last Banking Day

<b>Day Count Fraction</b>	Actual/360
<b>Determination Date</b>	Not applicable
<b>Interest Commencement Date</b>	1 January 2023
<b>Banking Day</b>	Danish Banking Day
<b>Banking Day Convention</b>	Following Banking Day Convention
<b>First bond coupon</b>	First bond coupon is 3.4133%. The first interest period runs from and including 1 January 2023 to and not including 1 July 2023.
<b>Effective interest rate</b>	The effective interest rate cannot be provided as the Bonds are issued on tap, and the effective interest rate depends on the price and the transaction date.
<b>Interest rate floor/cap</b>	Not applicable
<b>Price at redemption</b>	100
<b>Amortisation</b>	The Bond is a bullet loan. The Issuer may make an extraordinary redemption prior to the maturity date if the interest becomes negative in the payment period.
<b>Payment Dates</b>	1 January and 1 July in each year until Maturity Date
<b>Payment Period</b>	1 January to 30 June and 1 July to 31 December
<b>Redemption dates</b>	Not applicable
<b>Termination</b>	Not applicable
<b>Opening date</b>	24 February 2023
<b>Closing Date</b>	Open ended
<b>Maturity Date</b>	1 January 2030
<b>Value date</b>	In general, when the Bonds are traded, the value date is two banking days, but exceptions may be made.
<b>Calculation Agent</b>	Issuer
<b>Restrictions on the individual investor's right to subscribe for the Bonds</b>	The issuer has not imposed any restrictions on an individual investor's right to subscribe for the Bonds
<b>Place of Recording</b>	VP Securities A/S Nicolai Eigtveds Gade 8 1402 Copenhagen K Denmark
<b>Names and addresses of the financial intermediaries</b>	Not applicable

<b>Access to information on Bondholders</b>	Yes
<b>Rating</b>	The bonds being issued are expected to be A rated by Standard & Poor's
<b>Early Redemption Amount</b>	100
<b>Issuer Call</b>	Not applicable
<b>Redemption Schedule</b>	Not Applicable
<b>Tax Gross Up</b>	Not Applicable
<b>Terms and conditions</b>	Together with section 5 "TERMS AND CONDITIONS" of the "Base Prospectus for Danish Ship Finance A/S Bond Programme", including the related supplements or appendices, these Final Terms constitute the terms and conditions for the issued Bonds.
<b>General terms</b>	Not applicable
<b>Conflicts of interest</b>	Danish Ship Finance A/S is not aware of any conflicts of interest of importance to the offering of the Bonds.
<b>Authorisation regarding issue</b>	Not applicable
<b>Prohibition of sales to EEA Retail Investors</b>	Not Applicable
<b>Prohibition of sales to UK Retail Investors</b>	Not Applicable
<b>CFI-code for the Bonds</b>	DBVGFB
<b>FISN-code for the Bonds</b>	DK Skibskr/3.41/ VARSKE 2030

These Final Terms are signed on behalf of the Issuer:

\_\_\_\_\_  
Name:

\_\_\_\_\_  
Name:

## Appendix A – Summary of the Bonds

This summary covers Danish Ship Finance A/S's (“**the Issuer**”) issue of Ship Mortgage Bonds (SMBs) (“**Bonds**”) in the ISIN code stated below.

The summary is made up of disclosure requirements, known as “elements”. This summary contains all the elements required to be included in a summary of the issue of this type of securities and Danish Ship Finance A/S as the issuer.

Even though an element may be required to be inserted in a summary of the issue of this type of securities and the Issuer as the issuer, it is possible that no relevant information can be given regarding such element. In cases where an element is not relevant to a prospectus, the summary states that the element is “Not applicable”.

<b>Introduction and warnings</b>	
Warnings	<p>The Issuer draws the attention of prospective investors to the fact that:</p> <ul style="list-style-type: none"> <li>• this summary should be read as an introduction to the Base Prospectus;</li> <li>• any decision to invest in the Bonds should be based on consideration of the Base Prospectus as a whole;</li> <li>• where a claim relating to the information contained in the Base Prospectus is brought before a court, the plaintiff investor might, under the national legislation, have to bear the costs of translating the prospectus before the legal proceedings are initiated; and</li> <li>• civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of the Base Prospectus, or it does not provide, when read together with the other parts of the Base Prospectus, key information to aid investors when considering whether to invest in such Bonds.</li> </ul>
The identity and contact details of the issuer, including its identification code for legal entities (LEI code)	<p>The issuer of the Bonds is:            Danish Ship Finance A/S            Sankt Annae Plads 3            DK-1250 Copenhagen K            Denmark            Telephone No.: +45 33 33 93 33            Email: danish@shipfinance.dk            Business Reg. No. (CVR-nr.): 27 49 26 49            LEI code: 549300T70JXFWEXCK295</p>
Identity and contact details of the competent authority that approves the prospectus	<p>The competent authority that approves the prospectus is:            Finanstilsynet (Danish Financial Supervisory Authority) (“<b>DFSA</b>”)            Strandgade 29            DK-1401 Copenhagen C            Denmark            Telephone No.: +45 33 55 82 82            Email: finanstillsynet@ftnet.dk            Business Reg. No. (CVR-nr.): 10598184</p>
Date of approval of the prospectus	<p>The Issuer's base prospectus for the issuance of covered bonds, ship mortgage bonds and senior secured bonds was dated and approved by the DFSA on 11 July 2022 as supplemented to the supplement to the base prospectus dated 30 August 2022 approved by the DFSA (together, the “<b>Base Prospectus</b>”).</p>
<b>Key information about the Issuer</b>	
Who is the issuer of the Bonds?	

<p>The issuer's registered office, legal form, the rules the issuer is subject to, as well as country of registration</p>	<p>The Issuer is a privately held Denmark-based public limited company that operates its ship financing business in accordance with the Danish Act no. 646 of 18 May 2022, as amended on a Ship Finance Institute (the "Act") and other legislation applicable at any given time to ship finance institutes. The Issuer is subject to Danish law and to supervision by the Danish Financial Services Authority.</p> <p>The Issuer has the following secondary names:</p> <ul style="list-style-type: none"> <li>- Danish Ship Finance A/S,</li> <li>- Danmarks Skibskreditfond A/S,</li> <li>- Dansk Skibsfinansiering A/S</li> </ul>																												
<p>The issuer's principal activity</p>	<p>The object of the Issuer is to operate as a ship finance institute, including engaging in any activities permitted according to legislation applicable to a Danish ship finance institute from time to time. The object of the Issuer is to provide ship financing in Denmark. In addition, the Issuer provides ship financing in the international market as long as those activities do not unnecessarily limit the Company's Danish operations.</p> <p>The Issuer intends to develop new mortgage finance products and pursue new business opportunities within the ship mortgage finance business and to the extent it is deemed commercially viable.</p> <p>The Issuer's principal market is the Danish market. Other principal markets are the rest of Europe, North America and Asia.</p>																												
<p>The issuer's largest shareholder, including a statement of whether the issuer is directly or indirectly owned or controlled by others and by whom</p>	<p>The Issuer is a subsidiary of Danish Ship Finance Holding A/S, which holds 86.6% of the shares. In addition, Den Danske Maritime Fond (the Danish Maritime Fund) holds 10% of the shares, while the remaining 3.4% is held by a small number of minority shareholders.</p>																												
<p>The identity of the main chief executive officers</p>	<p>The Chief Executive Officer of the Issuer is: Erik I. Lassen  The Chief Commercial Officer of the Issuer is: Michael Frisch  The Chief Financial Officer of the Issuer is: Lars Jebjerg</p>																												
<p>The identity of the auditors</p>	<p>The Issuer's auditors are:  EY Godkendt Revisionspartnerselskab, CVR no: 30700228, Dirch Passers Allé 36, DK-2000 Frederiksberg, represented by Lars Rhod Søndergaard (mne28632) and Thomas Hjortkjær Petersen (mne33748), both Danish State-Authorised Public Accountants.</p>																												
<p>What are the most material financial data about the issuer?</p>																													
<p>Material financial data</p>	<p><b>Income statement</b>  Table 1 of Annex III to Regulation (EU) 2019/979</p> <table border="1" data-bbox="464 1608 1313 1877"> <thead> <tr> <th>DKKm</th> <th>H1 2022</th> <th>H1 2021</th> <th>Full Year 2021</th> </tr> </thead> <tbody> <tr> <td>Net interest income</td> <td>277</td> <td>258</td> <td>541</td> </tr> <tr> <td>Net fee and commission income</td> <td>267</td> <td>243</td> <td>573</td> </tr> <tr> <td>Net interest income from investment activities</td> <td>(7)</td> <td>(14)</td> <td>(37)</td> </tr> <tr> <td>Market value adjustments</td> <td>(166)</td> <td>(69)</td> <td>(82)</td> </tr> <tr> <td>Loan impairment charges</td> <td>126</td> <td>(1)</td> <td>39</td> </tr> <tr> <td>Net profit for the periode</td> <td>118</td> <td>67</td> <td>254</td> </tr> </tbody> </table>	DKKm	H1 2022	H1 2021	Full Year 2021	Net interest income	277	258	541	Net fee and commission income	267	243	573	Net interest income from investment activities	(7)	(14)	(37)	Market value adjustments	(166)	(69)	(82)	Loan impairment charges	126	(1)	39	Net profit for the periode	118	67	254
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<b>Balance sheet</b>			
Table 2 of Annex III of Regulation (EU) 2019/979			
DKKm	H1 2022	H1 2021	Full Year 2021
Total assets	53,564	54,948	54,457
Issued bonds at fair value	41,467	40,981	43,228
Loans at fair value	38,012	36,705	37,544
Total equity	9,315	9,284	9,325
Common Equity Tier 1 capital ratio (%)	8,761	9,119	9,131
Capital ratio (%)	19.5	19.9	20.1

What are the most important risks specific to the issuer?

Issuer risks

The Issuer's activities are associated with various risks, which may have a negative effect on the Issuer's activities, financial position, results and reputation and, consequently, investors may, in part or in full, lose their investment in the Bonds.

If one or more of the risks mentioned below occur, it may have an adverse effect Issuer's reputation, business, results of operations, financial position and/or prospects and could thereby ultimately cause the Issuer to become unable to pay interest, principal or other amounts due on or in connection with some or all Bonds.

- Risks associated with geopolitical and economic conditions
- Credit risk
- Market risk
- Funding and liquidity risk
- Operational risk
- Regulatory risk related to changes in supervision and regulation
- Risks related to an increase in the Issuer's capital requirements and/or REA
- Risk relating to anti-money laundering, counter-terrorist financing, anti-bribery and sanctions regulations
- Operating risk on assets taken in possession by the Issuer may result in the Issuer suffers a loss
- Risk related to transfer of funds between capital centres

**Key information about the Bonds**

What are the main features of the securities?

The name and international identification number (ISIN) of the securities.

Ship Mortgage Bonds (SMBs) ("Bonds"). The ISIN and the bond series is: DK0004133568 ("Bonds").

The currency, nominal value and number of the Bonds

The bonds are issued in Danish kroner with a face value of 0.01 (unit size). The bonds are Floating rate and non-callable for the bondholder.

The rights attached to the Bonds

The Bondholders will, together with other holders of ship mortgage bonds, have a primary preferential right (after deduction of expenses relating to the administration of the estate in bankruptcy and similar expenses) to all the assets in the Institute in General through which the relevant ISIN code was issued in pursuance of the provisions of the Act.

The relative seniority of the Bonds in the issuer's capital structure in the

If the Issuer goes bankrupt, the funds in the Institute in General will be applied – after payment of costs for administration of the estate, etc. – to payment of claims from the Bondholders as well as counterparties to financial contracts with the same



event of insolvency, including information of their place in the order of priority and the potential effect on the investment in the event of resolution within the framework of Directive 2014/59/EU.	<p>preferential position as the Bondholders. Bankruptcy of the Issuer does not constitute an event of default. The bankruptcy trustee must, to the extent possible, continue to make the payments on the Bonds without changes. If the full amounts due cannot be paid on the due date, the Bondholders and the counterparties to the financial contracts shall retain their claims and preferred rights in the bankruptcy estate of the Issuer.</p> <p>The Issuer is only covered by certain parts of Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms, as amended (the “<b>BRRD</b>”), including the rules that require a recovery plan to be prepared. The Issuer must prepare and maintain a recovery plan for how to avoid a rapid deterioration of the Issuer’s financial situation pursuant Section 71a of Danish Financial Business Act (Consolidation Act, no. 406 of 29 March 2022 as amended from time to time and Executive Order no. 1141 of 15 November 2019 on Recovery Plans for Banks, Mortgage Banks and Investment Firms. The recovery plan must be updated at least every other year.</p>
<b>Where will the Bonds be traded?</b>	
Admission to trading	The Issuer will apply to have bonds admitted to trading on Nasdaq Copenhagen A/S
<b>Is there a guarantee linked to the Bonds?</b>	
The nature and extent of the guarantee	Not applicable
<b>Risks relating to the Bonds</b>	
<b>What are the most important risks specific to the Bonds?</b>	
Bond risks	<p>The Bonds are associated with various risks. The most important risks specific to the Bonds are discussed below.</p> <p>Risks associated with the Bonds in general, including:</p> <ul style="list-style-type: none"> <li>• Credit ratings do not reflect all risks</li> <li>• Risks associated with the structure of SCBs and SMBs</li> <li>• The secondary market in general</li> <li>• Interest rate risk</li> </ul>
<b>Key information about the offering</b>	
<b>Under which conditions and timetable can I invest in these Bonds?</b>	
Terms and conditions of the offer	<p>Generally, the Bonds can be sold in various ways:</p> <ul style="list-style-type: none"> <li>• Sale or auction to the market via Bloomberg systems</li> <li>• Private placements, possibly via organisers</li> <li>• Nasdaq Copenhagen A/S or another regulated market</li> </ul> <p>In the event of regular issues and block issues, SMB Bonds are sold on an ongoing basis in the bond market, and no investor has any preferential right to buy these. In connection with auctions via Bloomberg’s auction system, SMB Bonds are allocated according to the Issuer’s conditions of sale by auction. The SMB Bonds are allocated after a period stipulated by the Issuer.</p>
<b>Why is this prospectus being produced?</b>	
Reasons for offering and use of proceeds	<p>Funds generated by issuance of SMB’s under this Base Prospectus are applied to the funding of loans secured against ship mortgages.</p> <p>Funds generated by the issuance of SMBs may in accordance with the Act be invested in secure and liquid securities.</p>
Underwriting agreements	None

Conflicts of interest	The Issuer is not familiar with any interests and/or conflicts of interest of importance for the issuance of the Bonds.
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