

Nasdaq Copenhagen A/S
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Company announcement no. 9

Adequate own funds and the internal capital adequacy requirement

Pursuant to the executive order on calculation of risk exposure, total capital and solvency need, Danish Ship Finance must publish its adequate own funds on a quarterly basis.

The calculation is made on the basis of the 8+ approach and the Danish FSA's "Guidelines on Adequate Capital Base and Solvency Needs for Credit Institutions".

The guidelines issued by the FSA contain benchmarks for stress tests etc. These benchmarks define the limits within which the FSA assesses the institution's risks as being covered by 8 percent of the total risk exposure. If these limits are exceeded, the institution is required to increase its adequate own funds.

The solvency calculation is presented for the Group and the subsidiary (referred to as solo).

Adequate own funds at 31 March 2023

DKKm / %	Group	Solo
Total weighted items	40,555	40,415
Pillar I requirement (8 per cent of total risk exposure amount)	3,244	3,233
Earnings	-	-
Growth in lending	-	-
Credit risks		
- Credit risks for large customers in financial difficulty	3	3
- Other types of credit risk	30	30
- Concentration risks	32	32
Market and liquidity risks	505	505
Operational and control risk	-	-
Leverage ratio	-	-
Other risks	-	-
Total adequate own funds	3,815	3,803

Key figures and financial ratios at 31 March 2023

	Group	Solo
Total capital less deductions, DKKm	7,850	9,076
Total adequate own funds, DKKm	3,815	3,803
Capital conservation buffer, DKKm	1,014	1,010
Countercyclical capital buffer, DKKm	519	517
Excess capital, DKKm	2,502	3,746
Solvency ratio, per cent	19.4	22.5
Internal capital adequate requirement, per cent	9.4	9.4
Capital conservation buffer, per cent	2.5	2.5
Countercyclical capital buffer, per cent	1.3	1.3
Excess capital, per cent	6.2	9.3

For additional information see Danish Ship Finance's risk report, which is available at www.shipfinance.dk.

Yours sincerely

Danish Ship Finance

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