

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

3 July 2023
Company announcement no.11

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

Danish Ship Finance issues new fixed rate non-callable bullet bond (SMB) with maturity date 1 July 2024.

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/>.

ISIN	Capital Centre	Currency	Opening date	Maturity
DK0004133642	Institute in General	DKK	4 July 2023	1 July 2024

Questions may be addressed to Head of Funding and Investor Relations, Jonas Kau, tel +45 3333 9333, IR@skibskredit.dk

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 (the “**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 supplements to the Base Prospectus dated 30 August 2022 and 28 February 2023 (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
- 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.

Series/Capital Centre	Institute in General
Bond type	SMBs
ISIN	DK0004133642
Trading	Nasdaq Copenhagen A/S
First day of listing	4 July 2023
Currency	DKK
Denomination	0.01
Issue Price	Not applicable
Issue Date	Not applicable
Number of interest Payment Dates per year	1
Principal	Not applicable
Number of outstanding Bonds	The number of outstanding Bonds will be announced regularly at Nasdaq Copenhagen A/S' website: www.nasdaqomxnordic.com
Interest Basis	Fixed Rate Bonds
Interest Coupon	1 percent per annum Fixed Rate
Reference Rate	Not applicable
Interest Rate Spread(s)	Not applicable
Derivative Components	Not applicable
Minimum Interest Coupon	Not applicable
Maximum Interest Coupon	Not applicable
Fixing methods	Not Applicable
Day Count Fraction	Actual/Actual (ICMA)
Determination Date	Not applicable
Interest Commencement Date	1 July 2023
Banking Day	Danish Banking Day
Banking Day Convention	Following Banking Day Convention
First bond coupon	First bond coupon is 1%. The first interest period runs from and including 1 July 2023 to and not including 1 July 2024.
Effective interest rate	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.
Interest rate floor/cap	Not applicable.
Price at redemption	100
Amortisation	The Bond is a bullet loan.

Payment Dates	1 July in each year until Maturity Date
Payment Period	1 July to 30 June
Redemption dates	Not applicable.
Termination	Not applicable
Opening date	4 July 2023
Closing Date	Open ended
Maturity Date	1 July 2024
Value date	In general, when the Bonds are traded, the value date is two banking days, but exceptions may be made.
Calculation Agent	Issuer
Restrictions on the individual investor's right to subscribe for the Bonds	The Issuer has not imposed any restrictions on an individual investor's right to subscribe for the Bonds
Place of Recording	VP Securities A/S Nicolai Eigtveds Gade 8 1402 Copenhagen K Denmark
Names and addresses of the financial intermediaries	Not applicable
Access to information on Bondholders	Yes
Rating	The bonds being issued are expected to be A rated by Standard & Poor's
Early Redemption Amount	Not applicable
Issuer Call	Not applicable
Redemption Schedule	Not Applicable
Tax Gross Up	Not Applicable
Terms and conditions	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.
General terms	Not applicable
Conflicts of interest	The Issuer is not aware of any conflicts of interest of importance to the offering of the Bonds.
Authorisation regarding issue	Not applicable
Prohibition of sales to EEA Retail Investors	Not Applicable
Prohibition of sales to UK Retail Investors	Not Applicable
CFI-code for the Bonds	DYFGXB

FISN-code for the Bonds DK Skibskr/1.00/ 1 SK JUL 2024

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 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".

Introduction and warnings	
Warnings	<p>The Issuer draws the attention of prospective investors to the fact that:</p> <ul style="list-style-type: none"> • this summary should be read as an introduction to the Base Prospectus; • any decision to invest in the Bonds should be based on consideration of the Base Prospectus as a whole; • 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 • 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.
The name and international identification number (ISIN) of the securities.	Ship Mortgage Bonds (SMBs) (" Bonds "). The ISIN and the bond series is: DK0004133642. (" Bonds ").
The identity and contact details of the issuer, including its identification code for legal entities (LEI code)	<p>The issuer of the Bonds is:</p> <p>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:</p> <p>Finanstilsynet (Danish Financial Supervisory Authority) ("DFSA") Strandgade 29 DK-1401 Copenhagen C Denmark Telephone No.: +45 33 55 82 82 Email: finansstilsynet@ftnet.dk Business Reg. No. (CVR-nr.): 10598184</p>
Date of approval of the prospectus	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 and supplemented by the supplements to the Base Prospectus dated 30 August 2022 and 28 February 2023 approved by the DFSA (together, the " Base Prospectus ").
Key information about the Issuer	
Who is the issuer of the Bonds?	
The issuer's registered office, legal form, the rules the issuer is subject to, as well as country of registration	<p>The issuer of the Bonds is:</p> <p>Danish Ship Finance A/S Sankt Annae Plads 3 DK-1250 Copenhagen K Denmark</p>

	<p>Telephone No.: +45 33 33 93 33 Email: danish@shipfinance.dk Business Reg. No. (CVR-nr.): 27 49 26 49 LEI code: 549300T70JXFWEXCK295</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"> • Danish Ship Finance A/S, • Danmarks Skibskreditfond A/S, • Dansk Skibsfinansiering A/S 																					
The issuer's principal activity	<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>																					
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>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>																					
The identity of the main chief executive officers	<p>The Chief Executive Officer of the Issuer is: Erik I. Lassen The Chief Financial Officer and Chief Risk Officer of the Issuer is: Lars Jebjerg The Chief Commercial Officer of the Issuer is: Michael Frisch</p>																					
The identity of the auditors	<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>																					
What is the key financial information regarding the issuer?																						
Material financial data	<p>Income statement</p> <table border="1" data-bbox="464 1659 1190 1917"> <thead> <tr> <th>DKKm</th> <th>Full Year 2021</th> <th>Full Year 2022</th> </tr> </thead> <tbody> <tr> <td>Net interest income</td> <td>541</td> <td>562</td> </tr> <tr> <td>Net fee and commission income</td> <td>573</td> <td>576</td> </tr> <tr> <td>Net interest income from investment activities</td> <td>(37)</td> <td>65</td> </tr> <tr> <td>Market value adjustments</td> <td>(82)</td> <td>(206)</td> </tr> <tr> <td>Loan impairment charges</td> <td>39</td> <td>583</td> </tr> <tr> <td>Net profit for the periode</td> <td>254</td> <td>663</td> </tr> </tbody> </table>	DKKm	Full Year 2021	Full Year 2022	Net interest income	541	562	Net fee and commission income	573	576	Net interest income from investment activities	(37)	65	Market value adjustments	(82)	(206)	Loan impairment charges	39	583	Net profit for the periode	254	663
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	Balance sheet		
	DKKm	Full Year 2021	Full Year 2022
	Total assets	54,457	55,974
	Issued bonds at fair value	43,228	41,402
	Loans at fair value	37,544	35,005
	Total equity	9,325	9,755
	Common Equity Tier 1 capital ratio (%)	9,131	9,263
	Capital ratio (%)	20.1	21.9
What are the key risks that are specific to the issuer?			
Issuer risks	<p>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.</p> <p>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.</p> <ul style="list-style-type: none"> • Risks related to the general economic and geopolitical conditions • Credit risk • Market risk • Funding and liquidity risk • Operational risk • Regulatory risk • 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 centre 		
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: DK0004133642. (" Bonds ").		
The currency, nominal value and number of the Bonds	The bonds are issued in Danish kroner (DKK) with a face value of 0.01 (unit size). The bonds are Fixed 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 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>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 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 "BRRD"), 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</p>		

	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. 47 of 16 January 2023 on Recovery Plans for Banks, Mortgage Banks and Investment Firms. The recovery plan must be updated at least every other year.
Transferability	The Bonds are freely transferable and are not subject to any restrictions on transfer.
Where will the Bonds be traded?	
Admission to trading	The Issuer will apply to have bonds admitted to trading on Nasdaq Copenhagen A/S, which constitute a regulated market.
Is there a guarantee linked to the Bonds?	
The nature and extent of the guarantee	Not applicable
Risks relating to the Bonds	
What are the key risks that are specific to the securities?	
Bond risks	<p>The Bonds are associated with various risks. The most material 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"> • Credit ratings do not reflect all risks • Risks associated with the structure of SCBs and SMBs • The secondary market for the Bonds • Interest rate risk on the Bonds
Key information about the offering	
Under which conditions and timetable can I invest in these Bonds?	
Terms and conditions of the offer	<p>Generally, the Bonds can be sold in various ways:</p> <ul style="list-style-type: none"> • Sale or auction to the market via Bloomberg systems • Syndication with organisers • Private placements, possibly via organisers • Nasdaq Copenhagen A/S or another regulated market <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 book builds, SMB Bonds are allocated according to the Issuer's conditions of sale. The SMB Bonds are allocated after a period stipulated by the Issuer.</p>
Why is this prospectus being produced?	
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.