



**DANISH
SHIP FINANCE**

Danish Ship Finance A/S

(domiciled in Denmark as a Danish limited liability company, CVR no. 27492649)

Supplement no. 1 to Base Prospectus for the issuance of ship covered bonds, ship mortgage bonds and senior secured bonds

Supplement no. 1, 2021

Date: 7 October 2021

This supplement no 1 (the "**Supplement**") to the base prospectus dated 9 July 2021 (the "Base Prospectus"), which is a supplement for the purposes of Article 23(1) of Regulation (EU) No 2017/1129 of the European Parliament and of the Council of 14 June 2017 as amended (the "**Prospectus Regulation**") and the relevant implementation legislation in Denmark, was prepared by Danish Ship Finance A/S (the "**Issuer**"). Terms defined in the Base Prospectus (but not herein) have the same meaning when applied in the Supplement.

Purpose of this supplement

The purpose of this Supplement is (a) to update 7 "INFORMATION INCORPORATED IN THE BASE PROSPECTUS BY REFERENCE" of the Base Prospectus with the H1 Interim Report of the Issuer for the period 1 January – 30 June 2021 published on 25 August 2021 and (b) to update 9 "ABOUT THE ISSUER" of the Base Prospectus.

The following changes have been made:

The original Base Prospectus	Amendment
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Page 44, Section 7 "Information incorporated in the baseprospectus by reference"	<p><i>The following text is added at the end of section 7 "INFORMATIONS INCORPORATED IN THIS BASE PROSPECTUS BY REFERENCE":</i></p> <p>"On 25 August 2021, the Issuer's Board of Directors approved the Issuer's unaudited consolidated H1 Interim Report 2021 (for the period 1 January – 30 June 2021). The Financial Statements are hereby incorporated in the Supplement, and copies thereof have been submitted to the Danish Financial Supervisory Authority.</p>
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The informations incorporated in this Supplement are publicly available on the Issuer's website at www.shipfinance.dk/investor-relations/reports-and-announcements/, and copies may be obtained on request in person at the registered office of the Issuer, Sankt Annae Plads 3, DK-1250 Copenhagen K, during ordinary business hours on all business days in Denmark.

For the sake of ease, the table below lists the relevant page references to the unaudited consolidated financial statements of the Issuer as stated in the H1 Interim Report 2021 of the Issuer for the period 1 January – 30 June 2021. The information incorporated by reference which is not included in the table below is considered to be supplementary information and is not mandatory pursuant to the relevant tables set out in Regulation (EC) no 809/2004 as amended (the "**Prospectus Regulation**").

UNAUDITED CONSOLIDATED INTERIM REPORT OF THE ISSUER FOR THE PERIOD 1 JANUARY – 30 JUNE 2021

Danish Ship Finance A/S – H1 Interim Report 2021

Management's report	Pages 3 – 12
Income Statement	Page 13
Balance sheets	Pages 14 – 15
Notes	Pages 17 – 34

Link to H1 Interim Report 2021:

www.shipfinance.dk/investor-relations/reports-and-announcements/.

The following text is added at the end of 9.2.6 “CAPITAL STRUCTURE”:

“The tables below based on the Issuer’s Annual Report from 2019 and 2020 and the Issuer’s H1 Interim Report from 2020 and 2021 show the Issuer’s capital structure, capital ratios, adequate capital base and buffer requirements. The H1 2020 figures are included as comparative figures for H1 2021.

DKK MILLION	H1 2021	H1 2020	2020	2019
CAPITAL ADEQUACY				
Common Equity Tier 1 capital				
Share capital A shares	300	300	300	300
Share capital B shares	33	33	33	33
Tied-up reserve capital	8,343	8,343	8,343	8,343
Retained earnings	538	387	471	412
Proposed dividends for the financial year	-	-	59	133
Revaluation reserves	70	50	70	38
Total Common Equity Tier 1 capital	9,284	9,114	9,275	9,260
Deductions from Common Equity Tier 1 capital				
Proposed dividends for the financial year	-	-	59	133
Retained earnings	67	-	-	-
Additional capital charge pursuant to the Executive Order on a Ship Finance Institute	-	9	-	-
Prudent valuation pursuant to Article 105 of the CRR	25	25	28	28
Deductions for NPE Loss coverage	39	-	-	-
Deductions pursuant to transitional rules regarding B share capital *)	33	33	33	33
Total deductions from Common Equity Tier 1 capital	165	68	120	195
Common Equity Tier 1 capital after deductions	9,119	9,046	9,156	9,065
Own funds after deductions	9,119	9,046	9,156	9,065

DKK MILLION	H1 2021	H1 2020	2020	2019
Risk exposure amount				
Assets outside the trading book	35,322	40,683	32,309	40,069
Off-balance sheet items	2,414	1,401	1,862	1,732
Counterparty risk outside the trading book	2,321	1,779	2,255	1,953
Market risk	4,884	4,151	3,736	4,211
Operational risk	881	1,056	880	1,056
Total risk exposure amount	45,822	49,070	41,042	49,020
Common Equity Tier 1 capital ratio	19.9	18.4	22.3	18.5
Tier 1 capital ratio	19.9	18.4	22.3	18.5
Total capital ratio	19.9	18.4	22.3	18.5
The risk exposure amount for market risk consists of:				

Position risk related to debt instruments	4,412	3,791	3,453	3,952
Position risk related to shares	18	18	18	7
Total currency position	454	342	265	253
Total risk exposure amount for market risk	4,884	4,151	3,736	4,211

*) Recognised at 0% pursuant to transitional rules of CRR Article 484 as of 31 December 2019 (1 January to 31 December 2018 recognised at 20%).”

Other information

In the event of discrepancy between (a) any representation in the Supplement or any representation incorporated by reference in the Base Prospectus by the Supplement, and (b) any other representation in or incorporated by reference in the Base Prospectus, (a) above shall take precedence.

Except as described in the Supplement, no other new material circumstance, material error or incorrectness regarding the information in the Base Prospectus has occurred since the publication of the Base Prospectus.

Withdrawal

Investors who have accepted buying or subscribing for Bonds before the publication of this Supplement are entitled to withdraw their acceptance within a time limit of at least three working days after the publication of this supplement, ie until 12 October 2021, pursuant to article 23(2a) of the prospectus Regulation and the relevant implementation legislation in denmark.

Responsibility statement

We declare that we have used our best endeavours to ensure that the information in this Supplement is consistent with the facts to the best of our knowledge and belief, that nothing has been omitted which is likely to affect its contents.

This supplement is signed on behalf of the Executive Board and the Board of Directors pursuant to special authority of the Board of Directors.

Copenhagen, 7 October 2021

Erik I. Lassen
Chief Executive Officer

Lars Jebjerg
Chief Financial Officer

Michael Frisch
Chief Commercial Officer