



Nasdaq Copenhagen A/S
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Company announcement no. 18

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 30 September 2021

DKKm / %	Group	Solo
Total weighted items	45,019	44,686
Pillar I requirement (8 per cent of total risk exposure amount)	3,602	3,575
Earnings	-	-
Growth in lending	-	-
Credit risks		
- Credit risks for large customers in financial difficulty	32	32
- Other types of credit risk	39	39
- Concentration risks	26	26
Market and liquidity risks	289	289
Operational and control risk	-	-
Leverage ratio	-	-
Other risks	-	-
Total adequate own funds	3,988	3,961

Key figures and financial ratios at 30 September 2021

	Group	Solo
Total capital less deductions, DKKm	7,859	9,116
Total adequate own funds, DKKm	3,988	3,961
Capital conservation buffer, DKKm	1,125	1,117
Countercyclical capital buffer, DKKm	65	65
Excess capital, DKKm	2,681	3,973
Solvency ratio, per cent	17.5	20.4
Internal capital adequate requirement, per cent	8.9	8.9
Capital conservation buffer, per cent	2.5	2.5
Countercyclical capital buffer, per cent	0.1	0.1
Excess capital, per cent	6.0	8.9

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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