

Nasdaq Copenhagen A/S  
Nikolai Plads 6  
København K

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Company announcement no 8 2024

### **Magellan Capital Holdings acquires control of Danish Ship Finance A/S (Danmarks Skibskredit A/S)**

As announced in the interim report for Danish Ship Finance for the first half of 2022, the majority owners of Danish Ship Finance, Axcel, PFA and PKA, initiated a review of the future ownership of Danish Ship Finance.

This review has been concluded and resulted in Axcel, PFA and PKA agreeing to sell all their shares in Danish Ship Finance Holding A/S ("Danish Ship Finance Holding") and thereby their indirect majority stake in Danish Ship Finance to Magellan Capital Holdings Ltd ("Magellan"). The Danish Maritime Fund will maintain its 10% shareholding in Danish Ship Finance, while Axcel will retain a 5% stake for up to two years to ensure a smooth ownership transition.

The Board of Directors views this as a highly satisfactory solution which provides the platform for continued strong Danish ship finance institution backed by a well-capitalized owner and potential for controlled global growth in co-operation with Danish and international shipping companies.

Eivind Kolding, Chairman of the Board of Directors, comments: *"We are pleased that the company's three majority shareholders have agreed to sell Danish Ship Finance to an owner who takes a long-term perspective of the investment and values the company's core strengths and conservative business approach"*.

The new owner wishes to continue developing Danish Ship Finance in accordance with its current strategy, led by the current Executive Management. On the Board of Directors of Danish Ship Finance, Chairman Eivind Kolding and board members Christian Frigast, Jacob Meldgaard, Thor Jørgen Guttormsen and Peter Nyegaard will stay onboard. Ahmed Omar and Omar Elali will be joining the Board, representing Magellan.

The transaction was approved today by the Danish Financial Supervisory Authority and is expected to be completed imminently. The parties have agreed not to disclose the transaction value.

As the shareholdings of Axcel, PFA and PKA in Danish Ship Finance Holding A/S represent a controlling interest in Danish Ship Finance, the Board of Directors of Danish Ship Finance have noted, that the remaining A-shareholders in Danish Ship Finance will receive an offer to sell each of their A-shares in

Danish Ship Finance at the same price and terms as agreed with Axcel, PFA and PKA. The offer to the remaining A-shareholders is expected to be submitted within the coming week.

The Board of Directors of Danish Ship Finance has approved the change of ownership from Axcel, PFA and PKA to Magellan as well as change of ownership of the shares that may be tendered by other A-shareholders in Danish Ship Finance in connection with the offer to be made.

It is expected that Danish Ship Finance's existing Issuer Credit Rating of "BBB+" and Covered Bond Rating of "A" with Stable Outlook from Standard & Poor's will remain unchanged following the transaction.

#### **For further information**

Danish Ship Finance

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#### **About Danish Ship Finance**

Danish Ship Finance is a highly specialised niche player in the ship finance market and has been committed to the industry since 1961. The company is a trusted partner for Danish and international shipping companies and leverages its extensive sector knowledge to act as more than a financier for its clients. It has a strategic focus on financing the transition to a sustainable shipping industry.

#### **About Magellan Capital Holdings Ltd**

Magellan Capital Holdings Ltd is owned by Swedish national Hassan Elali, a serial entrepreneur who has been based in Abu Dhabi since the early 1980s. Magellan was founded after the sale of Hassan Elali's 40-year-old business ZMI Holdings, in which he continues to serve as a board member and advisor to the new owner, ADNOC. Magellan has a well-diversified investment approach, focusing on investments with robust and stable returns in public markets, private markets and real estate.

#### **Facts of the Transaction**

- Axcel, PFA and PKA together own 97.6% (rounded) of the shares in Danish Ship Finance Holding and thereby 96.2% (rounded) of the A-shares in Danish Ship Finance.
- The buyer of the shares in Danish Ship Finance Holding is Magellan Capital Holdings Ltd.
- In accordance with the current shareholders agreement in Danish Ship Finance, as a result of the change of control in Danish Ship Finance, an offer will be submitted to the remaining A-shareholders in Danish Ship Finance at the same price and on the same terms as Axcel, PFA and PKA have received.
- The A-shares constitute 90% of the share capital in Danish Ship Finance, while the B-shares owned by The Danish Maritime Fund constitute 10% of the share capital in Danish Ship Finance
- As a consequence of The Danish Maritime Fund's continued ownership, the A-shareholders not wishing to sell their A-shares to Magellan cannot be compulsory redeemed.

### **The history of Danish Ship Finance and The Danish Maritime Fund**

Danmarks Skibskreditfond was founded on 6 June 1961 by Danish banks, insurance companies, shipping companies, shipyards – represented by the trade association in question – and Danmarks Nationalbank. No capital was invested, however the parties subscribed for the guaranteed capital of the fund.

The purpose was to create a permanent source of financing of Danish ship owners and new buildings from Danish shipyards and thereby provide a financial basis of a continued development of the Danish maritime industries. This continues to be an essential objective. Until the middle of the 1990's the fund financed vessels constructed at Danish shipyards. From 1997 and onwards, as the Danish shipbuilding industry diminished, the mandate has gradually been expanded to cover financing of vessels that are neither constructed at Danish shipyards nor Danish-owned.

In 2005 a need to modernise the scope of Danmarks Skibskreditfond arose, in order to correspond to the rules governing other financial companies. The transformation was based on an agreement between Danmarks Skibskreditfond, the Danish Ministry of Economic and Business Affairs and Danmarks Nationalbank and was completed by the conversion of Danmarks Skibskreditfond to a limited liability company. At the same time, the name was changed to Danish Ship Finance (Danish: Danmarks Skibskredit A/S).

The equity of approx. DKK 8.3 billion became a locked-up capital reserve in the interest of the continued possibility to finance the lending activity. The total share capital was DKK 333,333,334, of which 10% is B-shares, that were transferred to the newly founded "The Danish Maritime Fund". The B-shares have been assigned preference dividend by an amount of 15% of the yearly profit after tax in Danish Ship Finance, subject to a maximum of DKK 83.3 million. Since 2005 The Danish Maritime Fund has received close to DKK 1 billion in dividends.

The purpose of The Danish Maritime Fund is to provide financial support towards initiatives or measures, which serves to develop and promote Danish shipping trade and/or the Danish shipbuilding industry. This can be in relation to research, technology and product development, training, recruiting and other initiatives with a maritime focus.

Best Regards  
Danish Ship Finance