



Remuneration Report 2024

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Purpose

The Remuneration Report of Danish Ship Finance A/S provides an overview of the remuneration paid or payable to each member of the Board of Directors and the Executive Board for the financial year. Furthermore, the report serves to confirm that the remuneration awarded is in compliance with the remuneration policy.

The remuneration of the Board of Directors and the Executive Board is determined and awarded with the overall aim of attracting, motivating and retaining qualified members of the Board of Directors and the Executive Board. In addition to fixed remuneration, the company uses equity-like instruments in relation to the Executive Board to ensure focus on business strategy, sustainability and long-term value creation.

All amounts are stated in Danish kroner (DKK).

The Board of Directors has approved the Remuneration Report.

The Remuneration Report has not been reviewed by the company's auditors.

Danish Ship Finance *organisation*

Until 10 July 2024 Danish Ship Finance Group consisted of two limited liability companies: a financial holding company, Danish Ship Finance Holding A/S (DSH), and an operating company, Danish Ship Finance A/S (DSF), the purpose of which is to provide ship financing.

On 10 July 2024, Danish Ship Finance Holding A/S underwent a change in ownership. Magellan Capital Holdings PLC acquired the majority of the shares in Danish Ship Finance Holding A/S from the pension funds PFA and PKA, the private equity firm Axcel, and the minority shareholders. Axcel will maintain a minority stake for a period of up to two years to ensure a smooth transition. Through this transaction, Magellan Capital Holdings PLC acquired a majority shareholding in Danish Ship Finance A/S.

Following the change in ownership Michael Nellemann Pedersen, Henrik Sjøgreen and Anders Damgaard resigned as members of the Board of Directors and Ahmed Omar Mohamed Abdelmonem and Omar Elali were elected as new members of the Board of Directors at an extraordinary general meeting on 11 July 2024.

Danish Ship Finance Holding A/S, as the discontinuing company, was merged with Danish Ship Finance A/S as the continuing company with accounting effect from 1 January 2024.



Remuneration *of the Board of Directors*

Fixed annual remuneration

The remuneration of the Board of Directors takes into consideration economic trends, the level of remuneration in similar undertakings and the scope of work. Any recommendation for adjustment is submitted to the general meeting for adoption. Individual members of the Board of Directors may opt not to receive remuneration.

No members of the Board of Directors receive any share-based incentive pay, other variable remuneration or pension contributions for the performance and discharge of their duties on the Board. However, members of the Board of Directors may have travel expenses reimbursed, and employee-elected members may receive variable pay if such remuneration is related to the work performed as an employee of the company.

The following remuneration for the financial year 2024 was approved at the annual general meeting held on 20 March 2025.

Total remuneration of the Board of Directors for the financial year 2024 and comparative figures for the preceding years are shown in the table below.

Remuneration of the Board of Directors for 2024

Position	Ordinary fee	Audit Committee	Remuneration Committee
Chairman	750,000	-	-
Vice Chairman	350,000	-	-
Member	200,000	150,000	150,000

Shareholdings of the Board of Directors

Members of the Board of Directors were entitled, but not required to invest in shares in Danish Ship Finance Holding A/S until the change in ownership on 10 July 2024. Shares held were sold to Magellan Capital Holdings PLC on 10 July 2024 and no members of the

Board of Directors have held shares in Danish Ship Finance Holding A/S or Danish Ship Finance A/S since this date. The shareholdings of the Board of Directors during 2024 are specified in the "Shareholdings of the Board of Directors" section.

Remuneration of the Board of Directors

Name and position	Joined/resigned	Ordinary fee	Audit Committee	Remuneration Committee	Total 2024	2023	2022
Eivind Kolding (Chairman)		750,000	-	-	750,000	750,000	750,000
Peter Nyegaard (Vice Chairman)		175,000	75,000	-	250,000	-	-
Ahmed Mohamed Abdelmonem Omar (Vice Chairman)	Joined 11 July 2024	175,000	75,000	-	250,000	-	-
Anders Damgaard	Resigned 11 July 2024	-	-	-	-	-	-
Omar Elali	Joined 11 July 2024	100,000	-	-	100,000	-	-
Christian Frigast		100,000	-	75,000	175,000	-	-
Thor Jørgen Guttormsen		200,000	-	150,000	350,000	350,000	350,000
Jacob Meldgaard		200,000	-	150,000	350,000	350,000	350,000
Michael Nellemann Pedersen	Resigned 11 July 2024	100,000	75,000	-	175,000	350,000	350,000
Henrik Sjøgreen	Resigned 11 July 2024	100,000	75,000	-	175,000	350,000	350,000
Marcus Freuchen Christensen*		200,000	-	-	200,000	200,000	200,000
Henriette Søgaard Fabricius*	Joined 19 March 2024	150,000	-	-	150,000	-	-
Andreas Hertz-Poulsen*	Joined 19 March 2024	150,000	-	-	150,000	-	-
Ninna Møller Kristensen*	Resigned 19 March 2024	50,000	-	-	50,000	200,000	200,000
Christopher Rex*		200,000	-	-	200,000	200,000	200,000
Henrik Rohde Søgaard*	Resigned 19 March 2024	50,000	-	-	50,000	100,000	-
Former members of the Board of Directors		-	-	-	-	100,000	200,000
Total		2,700,000	300,000	375,000	3,375,000	2,950,000	2,950,000

*Employee representative



Remuneration *of the Executive Board*

The Remuneration Committee submits its recommendations to the Board of Directors for any changes in the Executive Board members' fixed base salary and variable remuneration components. The recommendations are based on market practice, the required qualifications, the scope of work, the overall performance of the Executive Board and the performance of each member of the Executive Board.

The remuneration and remuneration components for members of the Executive Board are determined annually by the Remuneration Committee and approved by the Board of Directors.

Members of the Executive Board are entitled to annual remuneration in accordance with the remuneration policy. The total remuneration of members of the Executive Board may include the following fixed and variable remuneration components:

Continuing components:

- Fixed base salary
- Pension contribution

- Holiday supplement
- Salary supplement
- Long-term incentive programme in the form of equity-like instruments (total shareholder return (TSR))
- Certain non-monetary benefits and other customary non-monetary employee benefits
- Severance pay

Discontinuing components:

- Long-term incentive programme in the form of warrants in DSH*
- Retention agreements including warrants (related to DSH)*
- Retention agreements including TSR

The composition of remuneration for each member of the Executive Board is determined with a view to contributing to the ability to attract and retain key individuals, while ensuring that the Executive Board has an incentive to create value for the shareholders.

The incentive programme for members of the Executive Board reflects individual performance and is linked to business goals

that underpin the company's strategy and long-term value creation. The variable pay component is capped at 50% of the fixed base salary, including pension.

Both members of the Executive Board received total compensation in excess of EUR 1 million for the financial year.

Remuneration of the Executive Board for the financial year 2024 and comparative figures for the preceding years can be seen on the following page.

* The warrants programme related to DSH ended in July 2024 when DSH was merged into DSF.

Remuneration of the Executive Board for the financial year 2024

Name and position	Fixed remuneration					Variable remuneration ¹			Ratio of fixed to variable remuneration
	Base salary	Pension contribution	Tax value of car*	Special salary supplement	Total	TSR	Total	Total remuneration	
Erik I. Lassen, CEO	4,858,302	696,038	179,960	1,646,000	7,380,300	2,062,000	2,062,000	9,442,300	37%
Lars Jebjerg, CFO	4,593,972	584,756	158,930	1,346,000	6,683,658	2,394,000	2,394,000	9,077,658	46%
Total 2024	9,452,274	1,280,794	338,890	2,992,000	14,063,958	4,456,000	4,456,000	14,063,958	42%
Total 2023**	13,425,776	1,780,259	457,310	353,038	16,016,383	5,121,372	5,121,372	21,137,755	34%
Total 2022**	13,103,836	1,689,210	421,296	0	15,214,342	7,389,106	7,389,106	22,603,448	50%

1) In addition to the above variable remuneration the value adjustments of TSR bonuses awarded previous years are shown in the table 'Executive Board's share of TSR' on page 11 and the value of warrants granted previous years are shown in the table 'Executive Board's warrants in Danish Ship Finance Holding A/S' on page 12.

* In addition the Executive Board members receive the following benefits: multimedia, critical illness insurance, group life insurance, and dental, accident and health insurance.

** The former COO was part of the Executive Board in the financial year 2022 and 2023, but resigned from the Executive Board with effect from 31 December 2023, hence included in the comparative figures.

Base salary

The aim of the annual fixed base salary is to attract and retain qualified members of the Executive Board in support of the company's ability to attain its short- and long-term goals. A special holiday supplement of 3.25% of the salary qualifying for holiday pay is included in the base salary.

Pension contribution

Members of the Executive Board receive a pension contribution of 13.4% of their fixed base salary.

Special salary supplement

The Executive Board received in 2024 a temporary salary supplement for their extraordinary effort related to the sales process and strategy work. The CEO received a temporary salary supplement for assuming the vacant CCO role during 2024 and part of 2023. Additionally, a salary supplement to members of the Executive Board of 0.45% of their base salary including pension is included in the special salary supplement.

Non-monetary benefits

Members of the Executive Board receive the following non-monetary benefits: company car, multimedia, insurance covering critical illness, group life insurance, and dental, accident and health insurance.

Members of the Executive Board have a company car, which can be either bought or leased by the company. The company pays for all expenses related to the acquisition and operation of the cars and provides parking spaces close to the company's offices.

Short-term incentives

The company's remuneration policy does not provide for the use of short-term incentive programmes.

Long-term incentives

Members of the Executive Board were offered an incentive programme for 2024 consisting of equity-like instruments, total shareholder return (TSR), which are based on a specified index measured as the appreciation in the value of the ratio between adjusted net earnings at the consolidated level and the owner-invested capital adjusted for dividends and capital contributions. The model was adjusted in 2024 to reflect the merger between DSF and DSH while aiming to retain the economic value of the programme.

Executive Board indicative targets for 2024

A number of performance targets were set for the Executive Board, and these formed the basis for determining variable remuneration. Variable remuneration is subject to the Board's discretion, and the achievement of specific targets cannot be directly translated to variable remuneration amounts.

Of the performance targets, common corporate objectives have a weighting of 70% and individual objectives have a weighting of 30%. The respective performances vs. targets are translated to a numerical achievement which is multiplied by a factor determined by the current-year financial return for class A shareholders*. The factor may be zero if there is no positive return for class A shareholders.

Corporate targets

The corporate targets cover the following criteria: performance targets, sustainability, culture and cooperation, execution of strategic initiatives, and maintenance of a high level of compliance.

Individual targets

The individual targets are set on the basis of the duties and responsibilities of the individual members of the Executive Board and may concern acquisition of new customers, customer satisfaction scores, sustainability performance, cyber security, etc.

Bonuses awarded for each member of the Executive Board for the financial year 2024

The members of the Executive Board were awarded bonuses by the Board of Directors, acting in accordance with the remuneration policy. The basis for award includes a scorecard-based assessment. In 2024, the members of the Executive Board were awarded 85% of the bonus permissible under the cur-

rent remuneration policy, reflecting achievement of collective and individual performance targets and the financial return to class A shareholders for the financial year 2024.

** A shareholders represent all other shareholders than the Danish Maritime Fund which holds all B shares.*

Incentive bonuses awarded to the Executive Board for 2024

Name and position	Value of actual award	Value of maximum award	Share of maximum
Erik I. Lassen, CEO	2,062,000	2,679,634	77%
Lars Jebjerg, CFO	2,394,000	2,545,216	94%
Total	4,456,000	5,224,850	85%

Incentive bonuses for each member of the Executive Board as at 31 December 2024

Executive Board's share of TSR

Name and position	Programme	Performance period	Date of grant	Date of vesting	Value of grant (at time of grant)	Value adjustment of grant (at time of vesting)	Value at time of vesting	Accumulated value adjustment of grant at 31 December 2024	Value at 31 December 2024
Erik I. Lassen, CEO	Incentive	2018 - 2022	1 April 2019	1 April 2024	2,208,060	783,088	2,991,148	0	0
	Incentive	2019 - 2023	1 April 2020	1 April 2025	1,580,000	-	-	1,067,900	2,647,900
	Incentive	2021 - 2026	1 April 2022	1 April 2028	1,730,000	-	-	1,362,464	3,092,464
	Incentive	2022 - 2027	1 April 2023	1 April 2029	2,548,912	-	-	1,046,452	3,595,364
	Incentive	2023 - 2028	1 April 2024	1 April 2030	2,627,092	-	-	285,899	2,912,991
	Incentive	2024 - 2029	1 April 2025	1 April 2031	2,062,000	-	-	-	2,062,000
Total					12,756,064	783,088	2,991,148	3,762,715	14,310,719
Lars Jebjerg, CFO	Incentive	2019 - 2023	1 April 2020	1 April 2025	1,355,000	-	-	915,826	2,270,826
	Incentive	2021 - 2026	1 April 2022	1 April 2028	1,629,000	-	-	1,282,921	2,911,921
	Incentive	2022 - 2027	1 April 2023	1 April 2029	2,420,097	-	-	993,567	3,413,664
	Incentive	2023 - 2028	1 April 2024	1 April 2030	2,494,280	-	-	271,446	2,765,726
	Incentive	2024 - 2029	1 April 2025	1 April 2031	2,394,000	-	-	-	2,394,000
Total					10,292,377	-	-	3,463,760	13,756,137
Total					23,048,441	783,088	2,991,148	7,226,475	28,066,856

Executive Board's warrants in Danish Ship Finance Holding A/S

Name and position	Programme	Year of grant	Ordinary exercise periods			No. of restricted warrants	Net market value
Erik I. Lassen, CEO	Retention	2017	January 2022	or	January 2024	382,893,720	
<i>Exercised in January 2024</i>						(382,893,720)	1,334,503
	Incentive	2020	1 December 2026	to	1 January 2027	271,417,778	
<i>Exercised in July 2024</i>						(271,417,778)	24,798
Total						0	1,359,301
Lars Jebjerg, CFO	Retention	2018	January 2022	or	January 2024	294,408,000	
<i>Exercised in January 2024</i>						(294,408,000)	298,930
	Incentive	2020	1 December 2026	to	1 January 2027	257,687,556	
<i>Exercised in July 2024</i>						(257,687,556)	23,543
Total						0	322,473
Total						0	1,681,774

All warrants relating to the incentive programme granted in 2020 were exercised in July 2024 as part of Magellan Capital Holdings PLC's acquisition of Danish Ship Finance Holding A/S.

Termination provisions and severance pay

The company may terminate the employment relationship with a member of the Executive Board by giving up to 18 months' written notice, to expire at the end of a month. Members of the Executive Board may terminate their position by giving at least six months' notice, to expire at the end of a month.

As a main rule, the company has no severance pay arrangements. However, the company may grant severance pay where specific criteria have been set out in a severance agreement and such criteria have been met.

Clawback

There has been no event which could trigger the use of the clawback provisions stated in the remuneration policy.

Warrants

In addition to the warrants presented in the table, 357,704,053 warrants were granted to a former member of the Executive Board in 2017, which were exercised in January 2024 at a net market value of DKK 1,246,709.

The value of the warrants tracked the price of DSH shares, less a 5% compounded annual hurdle rate, until exercised.

The members of the Executive Board holds no warrants at year-end 2024.

Shareholdings of the *Board of Directors*

The number of shares in DSH held by members of the Board of Directors is shown in the table below:

Board of Directors' shareholdings in Danish Ship Finance Holding A/S

Name and position	Shareholding 1 January 2024	Changes during the period	Shareholding 31 December 2024	Market value at acquisition date	Shareholding as % of total no. of shares	2023	2022
Eivind Kolding (Chairman)	300,000,000	(300,000,000)	-	3,000,000	-	300,000,000	300,000,000
Peter Nyegaard (Vice Chairman)	-	-	-	-	-	-	-
Ahmed Mohamed Abdelmonem Omar (Vice Chairman)	-	-	-	-	-	-	-
Omar Elali	-	-	-	-	-	-	-
Christian Frigast	-	-	-	-	-	-	-
Thor Jørgen Guttormsen	150,000,000	(150,000,000)	-	1,500,000	-	150,000,000	150,000,000
Jacob Meldgaard	150,000,000	(150,000,000)	-	1,500,000	-	150,000,000	150,000,000
Marcus Freuchen Christensen*	13,421,962	(13,421,962)	-	134,220	-	13,421,962	13,421,962
Henriette Søgaard Fabricius*	1,074,716	(1,074,716)	-	-	-	-	-
Andreas Hertz-Poulsen	4,306,213	(4,306,213)	-	-	-	-	-
Christopher Rex*^	9,999,900	(9,999,900)	-	99,999	-	9,999,900	9,999,900
Total	628,802,791	(628,802,791)	-	6,234,219	-	623,421,862	623,421,862
Total no. of shares	122,389,960,000						

* Employee representative

^ Christopher Rex was in 2017 granted 16,666,500 warrants, the only member of the Board of Directors to receive such warrants. The warrants were exercised in January 2024.

On 10 July 2024 Magellan Capital Holdings PLC acquired the majority of the shares in Danish Ship Finance Holding A/S including all shares held by members of the Board of Directors.

Shareholdings of the *Executive Board*

The number of shares in DSH held by members of the Executive Board are shown in the table below:

Executive Board's shareholdings in Danish Ship Finance Holding A/S

Name and position	Shareholding 1 January 2024	Changes during the period*	Shareholding 31 December 2024	Market value at acquisition date	Shareholding as % of total no, of shares	2023	2022
Erik I, Lassen, CEO	279,999,998	(279,999,998)	-	3,000,000	-	279,999,998	279,999,998
Lars Jebjerg, CFO	160,000,100	(160,000,100)	-	2,000,001	-	160,000,100	160,000,100
Total	440,000,098	(440,000,098)	-	5,000,001	-	440,000,098	600,000,098
Total no, of shares	122,389,960,000						

On 10 July 2024 Magellan Capital Holdings PLC acquired the majority of the shares in Danish Ship Finance Holding A/S including all shares held by members of the Executive Board.



Comparative figures

Changes in the remuneration of the Board of Directors and the Executive Board are shown in the table below:

Comparison of remuneration and company results, 2021-2024

	2024	2024 vs. 2023	2023 vs. 2022	2022 vs. 2021
Financial results				
Net profit before tax	553,018,650	(543,794,638)	267,066,394	504,124,667
Net profit after tax	414,344,705*	(404,144,974)	155,058,339	409,344,161
Executive Board				
Erik I. Lassen, CEO	9,442,300	1,374,550	269,766	939,897
Lars Jebjerg, CFO	9,077,658	1,429,125	249,698	899,572

*The Net profit after tax for 2024 was negatively impacted by merger effects from DSH and DSF merger of DKK 98 million.

Comparison of remuneration, 2021-2024

	2024	2024 vs. 2023	2023 vs. 2022	2022 vs. 2021
Board of Directors				
Eivind Kolding, Chairman	750,000	0	0	0
Peter Nyegaard, Vice Chairman	250,000	250,000	0	0
Ahmed Mohamed Abdelmonem Omar, Vice Chairman	250,000	250,000	0	0
Omar Elali, board member	100,000	100,000	0	0
Christian Frigast, board member	175,000	175,000	0	0
Thor Jørgen Guttormsen, board member	350,000	0	0	0
Jacob Meldgaard, board member	350,000	0	0	0
Marcus Freuchen Christensen*	200,000	0	0	150,000
Henriette Søgaard Fabricius*	150,000	150,000	0	0
Andreas Hertz-Poulsen*	150,000	150,000	0	0
Christopher Rex*	200,000	0	0	0
Former members of the Board of Directors	550,000	(550,000)	0	(150,000)
Average remuneration for employees (FTE)				
Employees	1,330,051	59,690	64,610	107,438

* Employee representative

The changes in the remuneration of the Board of Directors are related to new members of the Board of Directors and members who previously waived remuneration but have received it from 2024. The changes related to the employee representatives also reflect the time of joining or resignation from the Board of Directors.

Compliance with *the remuneration policy*

The remuneration of the Board of Directors and the Executive Board for the financial year 2024 complied with the guidelines provided by the remuneration policy regarding focus on the business strategy and value creation for the long term.

There were no deviations from the guidelines prescribed by the remuneration policy.

The remuneration policy is available on Danish Ship Finance's website:

shipfinance.dk/investor-relations/





Adoption

The Remuneration Report was adopted by the Board of Directors at the company's ordinary board meeting on 27 February 2025 and is recommended for adoption at the company's annual general meeting on 20 March 2025.

Copenhagen, 27 February 2025

Eivind Drachmann Kolding
(Chairman)

Peter Nyegaard
(Vice Chairman)

Ahmed Mohamed Abdelmonem Omar
(Vice Chairman)

Marcus Freuchen Christensen

Omar Elali

Henriette Søgaard Fabricius

Povl Christian Lütken Frigast

Thor Jørgen Guttormsen

Andreas Hertz-Poulsen

Jacob Balslev Meldgaard

Christopher Rex

*Adopted at the annual general meeting
of the company on 20 March 2025*

Chairman of the meeting



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