

Nasdaq Copenhagen A/S  
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Company announcement no. 16

## Adequate own funds and the internal capital adequacy requirement

Pursuant to the executive order on calculation of risk exposure amount, 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 amount. 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 June 2023

DKKm / %	Group	Solo
<b>Total weighted risk exposure amount</b>	<b>42,914</b>	<b>42,985</b>
Pillar I requirement (8 % of total risk exposure amount)	3,433	3,439
Earnings	-	-
Growth in lending	-	-
Credit risks		
- Credit risks for large customers in financial difficulty	2	2
- Other types of credit risk	-	-
- Concentration risks	34	34
Market and liquidity risks	601	601
Operational and control risk	55	55
Leverage ratio	-	-
Other risks	-	-
<b>Total adequate own funds</b>	<b>4,124</b>	<b>4,130</b>

## Key figures and financial ratios at 30 June 2023

	Group	Solo
Total capital less deductions, DKKm	8,392	9,280
Total adequate own funds, DKKm	4,124	4,130
Capital conservation buffer, DKKm	1,073	1,075
Countercyclical capital buffer, DKKm	560	560
<b>Excess capital, DKKm</b>	<b>2,635</b>	<b>3,515</b>
Solvency ratio, %	19.6	21.6
Internal capital adequacy requirement, %	9.6	9.6
Capital conservation buffer, %	2.5	2.5
Countercyclical capital buffer, %	1.3	1.3
<b>Excess capital, %</b>	<b>6.2</b>	<b>8.2</b>

For additional information see Danish Ship Finance's risk report, which is available at [www.shipfinance.dk](http://www.shipfinance.dk).

Yours sincerely

Danish Ship Finance

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