TORM A/S
(a Danish limited liability company, registration number (CVR) 22460218)
Listing of 655.2 million shares in TORM A/S with a nominal value of DKK 0.01

This listing prospectus (the "Listing Prospectus") has been prepared in connection with an admission of 655.2 million shares (the "Listing Shares") in TORM A/S (the "Company" or "TORM") with a nominal value of DKK 0.01, each for trading and official listing on NASDAQ OMX Copenhagen A/S ("NASDAQ OMX Copenhagen") (the "Listing").

The Listing Shares were issued through VP Securities and registered with the Danish Business Authority on November 5, 2012. The issuance of the Listing Shares was effected in connection with completion of the Restructuring on November 5, 2012. The Restructuring, inter alia, provided for a rollover of the maturities of Pre-Restructuring Debt Facilities of USD 1,846 million to December 31, 2016, the provision of a USD 100 million working capital facility for a period until September 30, 2014, and amendment of charter-in rates agreed with the Time Charter-in Counterparties to market rates as per March 2012. In return the Secured Lenders and the Time Charter-in Counterparties received a restructuring fee and an agreed debt representing a total of approximately USD 200 million that was converted into the Listing Shares through conversion of debt at the completion of the Restructuring on November 5, 2012.

The Listing Shares were issued to the Secured Lenders and Time Charter-in Counterparties without pre-emptive subscription rights for the Pre-Restructuring Shareholders (the "Private Placement") and was issued pursuant to an authorization in § 2.14 of the articles of association of the Company granted to the Board of Directors at the annual general meeting of the Company on April 23, 2012.

Prior to the Private Placement the Company had 72.8 million outstanding shares (the "Pre-Restructuring Shares") with a nominal value of DKK 0.01 each. The capital increase in connection with the issuance of the Listing Shares increased the total nominal share capital by DKK 6,552,000. The total nominal share capital value of the Company as of the date of this Listing Prospectus (the "Listing Prospectus Date") is DKK 7,280,000 divided into 728 million shares (72.8 million Pre-Restructuring Shares and 655.2 million Listing Shares, together the "Shares") with a nominal value of DKK 0.01 each.

All recipients of this Listing Prospectus and any potential investors in Shares should be aware that any investment in the Shares involves a high degree of risk and all recipients of the Listing Prospectus are recommended to read the section "Risk factors" for a description of certain risk factors that might influence the share value negatively.

With the completion of the Restructuring, TORM gained time for a potential market improvement and to potentially secure the future, long-term capital structure of the Company. However, TORM is currently heavily leveraged and if substantial market improvements do not occur TORM will most likely continue to be loss making which will erode TORM's equity. Further, the existing capital structure does not provide the necessary basis for the financing of TORM's operations and growth in the medium to long term, and additional financing, remission of debt or alternative actions will be required. The market value based on broker valuations of TORM's fleet excluding financial leases of USD 1,316 million as of September 30, 2012, is significantly below TORMs outstanding bank debt of USD 1,906 million as of the Restructuring.

TORM's Financing Agreements entered into in connection with the Restructuring contain financial and operational covenants, including minimum liquidity levels, maximum loan to vessel value ratios, maximum net leverage ratios and minimum interest coverage ratios, as well as prohibitions and restrictions in respect of, inter alia, further indebtedness, acquisitions, disposals and share issues. If the difficult market conditions experienced during 2012 continue, TORM expects to be in breach under both the Super Senior Working Capital Facility and the loan facilities governed by the Framework Agreement at the time of testing of the financial covenants on June 30, 2013 and, under certain scenarios, before or after this date. In such scenarios resulting in breach of covenants, TORM does not have sufficient working capital for its present requirements for the period until 12 months after the Listing Prospectus Date. In case a breach of covenants becomes apparent TORM plans to initiate renegotiations with the Secured Lenders to obtain the necessary waivers and amendments. Such renegotiations, if initiated, may be lengthy and there is no certainty that TORM will obtain the necessary waivers and amendments. Ultimately, if TORM is unable to reach new agreements with the Secured Lenders and other creditors, TORM could be forced to enter into bankruptcy or other insolvency proceedings.

The Listing Shares are issued in the temporary ISIN code DK0060443877. The Listing Shares will not be admitted for trading and official listing on NASDAQ OMX Copenhagen under the temporary ISIN code. The Pre-Restructuring Shares are listed on NASDAQ OMX Copenhagen under ISIN code DK0060082915. Upon completion of the Listing, the Listing Shares will be admitted to trading and official listing under the ISIN code of the Pre-Restructuring Shares, DK0060082915, on December 10, 2012.

The purpose of this Listing Prospectus is solely to have the Listing Shares admitted to trading and official listing on NASDAQ OMX Copenhagen. The Listing Prospectus has only been prepared in an English language version. A Danish translation of the summary of the prospectus is included in this Listing Prospectus. In the event of any discrepancy between the English summary and the Danish summary, the English summary shall prevail.

No issue or offering of shares is made by the Company in connection with the publication of the Listing Prospectus.

This Listing Prospectus may not be distributed or otherwise made available, and the Shares may not be offered or sold, directly or indirectly, in the U.S., Canada, Australia or Japan. This Listing Prospectus may not be distributed or otherwise made available, and the Shares may not be offered or sold, directly or indirectly in any other jurisdiction outside Denmark, unless such distribution, offer, sale or exercise is permitted under applicable laws in the relevant jurisdiction.

The Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended, (the "U.S. Securities Act") or any applicable state securities laws of the U.S. The issuance of the Shares was made in transactions exempt from the registration requirements of the U.S. Securities Act pursuant to Section 4(a)(2) of the U.S. Securities Act, Regulation S ("Regulation S") under the U.S. Securities Act, or another available exemption. The Shares may not be offered, pledged, sold, resold, granted, delivered, allotted or otherwise transferred, as applicable, in the U.S., except in transactions that are exempt from or not subject to the registration requirements under the U.S. Securities Act and in compliance with any applicable state securities laws.

The Shares have not been and will not be registered under the Financial Instruments and Exchange Law of Japan (Law No. 25 of 1948, as amended, the "FIEL"), and disclosure under the FIEL has not been and will not be made with respect to the Shares. The Shares may not be offered or sold, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term shall mean any person resident in Japan, including any corporation or other entity organized under the laws of Japan), or to others for reoffering or resale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan, except (i) pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEL, and (ii) in compliance with any other applicable laws, regulations and governmental guidelines of Japan. Pursuant to the exemption under the FIEL, the Shares may be offered and sold to no more than 49 residents of Japan.

The date of this Listing Prospectus is December 7, 2012

GENERAL INFORMATION

Important information relating to the Listing Prospectus
In this Listing Prospectus, the "Company", "TORM" and the "Group" refer to TORM A/S or TORM A/S and its subsidiaries, unless the context requires otherwise. This Listing Prospectus has been prepared in compliance with Danish legislation and regulations, including Consolidated Act no. 855 of August 17, 2012 on Securities Trading (the "Danish Securities Trading Act"), Commission Regulation (EC) no. 809/2004 of April 29, 2004 as amended by Commission Delegated Regulation (EU) no. 486/2012 of March 30, 2012, Executive Order no. 643 of June 19, 2012 issued by the Danish Financial Supervisory Authority on prospectuses for securities admitted to trading in a regulated market and for public listings of securities of at least EUR 5,000,000 and the rules for issuers of shares of NASDAQ OMX Copenhagen. This Listing Prospectus is subject to Danish law.

The Listing Prospectus has been prepared solely for the admission to trading and official listing of the Listing Shares on NASDAQ OMX Copenhagen. The Listing Prospectus has been prepared in an English language version only. A Danish summary of the Listing Prospectus is included in this Listing Prospectus. In the event of any discrepancy between the English summary and the Danish summary, the English summary shall prevail. This Listing Prospectus does not constitute an offer or an invitation to purchase or subscribe for Listing Shares in any jurisdiction.

Danske Bank A/S ("Danske Bank") is Global Coordinator & Joint Lead Manager and BNP PARIBAS ("BNP PARIBAS"), Nordea Markets – Investment Banking (division of Nordea Bank Danmark A/S) ("Nordea Markets – Investment Banking"), and SEB Enskilda Corporate Finance, Skandinaviska Enskilda Banken, Denmark, branch of Skandinaviska Enskilda Banken AB (publ) ("SEB Enskilda") are Joint Lead Managers of the Listing and will in that connection receive fees and certain representations and warranties and customary indemnification undertakings from the Company. In connection with their usual business activities, Danske Bank, BNP PARIBAS, Nordea AB (publ) Group ("Nordea") and Skandinaviska Enskilda Banken AB (publ) ("SEB") or some of their associates may have provided and may in future provide investment advisory services and carry on ordinary banking business with TORM. Danske Bank, BNP PARIBAS, Nordea and SEB (or their assignees) subscribed for a total of 232,260,906 Listing Shares as part of completion of the Restructuring.

No person is authorised to give any information or to make any representation in connection with the Listing not contained in this Listing Prospectus. Any information or representation not so contained may not be relied upon as having been made or authorised by the Company. The Company, Danske Bank, BNP PARIBAS, Nordea Markets – Investment Banking and SEB Enskilda accept no liability for any such information or representation. The information contained in this Listing Prospectus stems from the Company and other sources identified in the Listing Prospectus.

The information in this Listing Prospectus relates to the date printed on the front cover, unless expressly stated otherwise. The distribution of this Listing Prospectus shall not in any circumstances imply that there have been no changes in the affairs of the Company since that date, or that the information contained in this Listing Prospectus is correct as at any time subsequent to the date hereof.

Any material change of the contents of this Listing Prospectus which may affect the assessment of the Shares and which occurs or is ascertained between the time of approval of this Listing Prospectus and the final completion of the Listing will be published as a supplement to the Listing Prospectus pursuant to applicable laws and regulations in Denmark.

The Company is solely responsible for this Listing Prospectus under Danish legislation as at the Listing Prospectus Date. Danske Bank, BNP PARIBAS, Nordea Markets – Investment Banking and SEB Enskilda accept no liability for the information contained in the Listing Prospectus. Neither Danske Bank, BNP PARIBAS, Nordea Markets – Investment Banking, SEB Enskilda nor any other person makes any express or implied representation or warranty with respect to the accuracy and adequacy of the Listing Prospectus or the information or representations contained herein.

The Listing Prospectus does not entail an offer, invitation, marketing, recommendation or any other form of encouragement by the Company, the Global Coordinator & Joint Lead Manager or any of the Joint Lead Managers to any investor to purchase Shares. Any investor in Shares should make an independent assessment as to whether the information in this Listing Prospectus is relevant, and any decision to purchase or sell Shares should be based on the investor's individual circumstances.

The Listing Prospectus may not be forwarded, reproduced or otherwise redistributed by anyone but the Global Coordinator & Joint Lead Manager, the Joint Lead Managers or the Company. Investors may not reproduce or distribute the Listing Prospectus, in whole or in part, and investors may not disclose any of the contents of the Listing Prospectus or use any information herein for considering the purchase or sale of Shares or other purposes described in this Listing Prospectus. Investors accept the above by accepting delivery of this Listing Prospectus.

Transfer and distribution restrictions
The Listing consists of an admission to trading and official listing of the Listing Shares on NASDAQ OMX Copenhagen. The Listing does not comprise an offer or placement of Shares in any jurisdiction.

In certain jurisdictions, the distribution of this Listing Prospectus and the marketing of Shares may be restricted by law and/or be subject to other restrictions, and the Listing Prospectus may not be used for, or in connection with, any offer or solicitation by any person in any jurisdiction in which such offer or solicitation is not authorised, or to any persons to whom it is unlawful to make such offer or solicitation. This Listing Prospectus does not constitute an offer or an invitation to purchase or subscribe for Shares in any jurisdiction. The Company, the Global Coordinator & Joint Lead Manager and the Joint Lead Managers require persons into whose possession the Listing Prospectus may come to inform themselves of and observe any such restrictions, including any tax and currency restrictions that may be relevant in connection with the trading of Shares. All investors should examine through their own advisers the tax consequences of an investment in Shares. Neither the Company, the Global Coordinator & Joint Lead Manager, nor the Joint Lead Managers accept any liability for any violation of such restrictions by any person, irrespective of whether such person is a shareholder or acquirer of Shares.

The Shares are subject to transfer and reselling restrictions in certain jurisdictions. Any acquirer of Shares must comply with all applicable laws and regulations in force in any country or region in which it acquires or resells Shares or possesses or distributes this Listing Prospectus and must obtain any consent, approval or permission required for acquiring Shares.

This Listing Prospectus may not be distributed or otherwise made available, and Shares may not be offered or sold, directly or indirectly, in the U.S., Canada, Australia or Japan. This Listing Prospectus may not be distributed or otherwise made available outside Denmark, and the Shares may not be offered or sold, directly or indirectly, in any jurisdiction, unless such distribution, offer, sale or exercise is permitted under applicable laws in the relevant jurisdiction.

The Shares have not been and will not be registered under the U.S. Securities Act or any applicable state securities laws of the U.S. The issuance of the Shares was made in transactions exempt from the registration requirements of the U.S. Securities Act pursuant to Section 4(a)(2) of the U.S. Securities Act, Regulation S under the U.S. Securities Act, or another available exemption. The Shares may not be offered, pledged, sold, resold, granted, delivered, allotted or otherwise transferred, as applicable, in the U.S., except in transactions that are exempt from or not subject to the registration requirements under the U.S. Securities Act and in compliance with any applicable state securities laws.

Notice regarding the European Economic Area
In relation to each member state of the European Economic Area that has implemented the Prospectus Directive (each a "Relevant Member State"), an offer to the public of any Shares may not be made in any Relevant Member State prior to the publication of a prospectus concerning the Shares which has been approved by the competent authority in such Relevant Member State or, where relevant, approved in another Relevant Member State and notified to the competent authority in such Relevant Member State, all pursuant to the Prospectus Directive, except that, an offering of Shares may be made to the public at any time in such Relevant Member State:

(a) to any legal entity that is a qualified investor as defined in the Prospectus Directive;

(b) to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive); or

(c) addressed to investors who acquire securities for a total consideration of at least EUR 100 000 per investor, for each separate offer;

(d) whose denomination per unit amounts to at least EUR 100 000

(e) with a total consideration of less than EUR 100 000

provided that no such offer of Shares shall result in a requirement for the publication by the Company or the Global Coordinator & Joint Lead Manager and Joint Lead Managers of a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of the above, the expression an "offer of Shares to the public" in any Relevant Member State means the communication in any form and by any means of sufficient information to enable an investor to decide to acquire Shares, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State. The expression "Prospectus Directive" means Directive 2003/71/EC (and amendments thereto, including the Amending Directive 2010/73/EU), and includes all relevant implementation measures in the Relevant Member State.

Notice regarding Canada, Australia, Japan and other jurisdictions outside Denmark
The Shares have not been approved, disapproved or recommended by any foreign regulatory authorities, nor have any of such authorities passed upon or endorsed the merits of the Listing or the accuracy or adequacy of this Listing Prospectus.

The Shares have not been and will not be registered under the Financial Instruments and Exchange Law of Japan (Law No. 25 of 1948, as amended, the "FIEL"), and disclosure under the FIEL has not been and will not be made with respect to the Shares. The Shares may not be offered or sold, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term shall mean any person resident in Japan, including any corporation or other entity organized under the laws of Japan), or to others for reoffering or resale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan, except (i) pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEL, and (ii) in compliance with any other applicable laws, regulations and governmental guidelines of Japan. Pursuant to the exemption under the FIEL, the Shares may be offered and sold to no more than 49 residents of Japan.

Enforceability of judgements
The Company is a limited liability company organised under the laws of Denmark. The members of Management are residents of Denmark. As a result, it may not be possible for investors to effect service of process upon the Company or such persons outside Denmark or to enforce against them, in courts outside or in Denmark, judgements obtained in courts outside Denmark based upon applicable laws in jurisdictions outside or in Denmark.

Forward-looking statements
Certain statements in this Listing Prospectus may contain forward-looking statements. Such statements concern Management's expectations, beliefs, intentions or strategies relating to the future as at the Listing Prospectus Date. The statements can be identified by the use of terminology such as "expect", "assess", "estimate", "anticipate", "intend", "may", "plan", "predict", "will", "should", "seek" or similar expressions. The forward-looking statements reflect Management's views and assumptions as at the Listing Prospectus Date with respect to future events and hence involve substantial risks and uncertainties. Actual and future results and performance may differ materially from those contained in such statements. Except for any Listing Prospectus supplements or company announcements that the Company may be required to publish under Danish law, the Company does not intend to and does not assume any obligation to update the forward-looking statements in the Listing Prospectus after the Listing Prospectus Date.

Presentation of financial information
This Listing Prospectus includes TORM's consolidated financial statements and notes thereto as at and for the years ended December 31, 2009, 2010 and 2011 by reference, drawn up by Management in compliance with the International Financial Reporting Standards ("IFRS") as adopted by the EU and additional Danish disclosure requirements for listed companies and audited by the independent auditors of TORM, Deloitte Statsautoriseret Revisionspartnerselskab. The Listing Prospectus furthermore includes TORM's interim financial statements and notes thereto for the nine months ended September 30, 2012 with comparative figures for the nine months ended September 30, 2011, drawn up by the Management in accordance with IAS 34 as adopted by EU and reviewed for purposes of this Listing Prospectus by the independent auditors of TORM, Deloitte Statsautoriseret Revisionspartnerselskab.

Financial information previously published by the Company for financial years or interim periods may deviate from financial information published subsequently, e.g. as a result of the implementation of subsequent retroactive changes to accounting policies and other regulations in compliance with IFRS as adopted by the EU.

Roundings
Figures and percentages in this Listing Prospectus have generally been rounded. Accordingly, the figures presented in the Listing Prospectus may differ from the figures presented in the annual reports and interim reports/financial statements of TORM. In certain instances, the sum of the figures in a column or row may not conform exactly to the total figure given for that column or row. In addition, certain percentages presented in the tables in this Listing Prospectus reflect calculations based upon the underlying information prior to rounding and, accordingly, may not conform exactly to the percentages that would be derived if the relevant calculations were based upon the rounded figures.

Presentation of market and industry data and information provided by third parties
This Listing Prospectus contains information on the markets in which TORM operates. A substantial part of the information stems from analyses prepared by external organisations. Such information is considered to be reliable, but the information has not been verified, and neither the Company nor the Global Coordinator & Joint Lead Manager and Joint Lead Managers make any representation as to the accuracy of such information. Thus, developments in the activities of TORM may deviate from the market developments stated in this Listing Prospectus. Neither the Company nor the Global Coordinator & Joint Lead Manager and Joint Lead Managers assume any obligation to update such information. If information has been obtained from third parties, the Company confirms that such information has been accurately reproduced, and to the best of the Company's knowledge and belief and in so far as can be ascertained from the information published by such third party, no facts have been omitted which would render the information reproduced inaccurate or misleading.

Foreign currency information
Amounts included in TORM's consolidated financial statements and financial statements that were not originally denominated in USD have been translated into USD using the average exchange rates for the relevant financial periods with respect to items in the income statement and cash flow statement and the period-end exchange rate with respect to balance sheet items.

TABLE OF CONTENTS

GENERAL INFORMATION **2**

TABLE OF CONTENTS **4**

RESPONSIBILITY AND STATEMENTS **9**

DANISH TRANSLATION OF THE SUMMARY **10**

SUMMARY **27**

RISK FACTORS **44**

Risks related to the Restructuring, TORM's financial results and financial resources 44

Risks related to TORM's activities 49

Risks related to the industry in which TORM operates 52

Risks related to employees 57

Risks related to currency and interest rate risks 57

Risks related to litigation 58

Risks related to the Listing 59

I. DESCRIPTION OF THE COMPANY **61**

1. Persons responsible 61

2. Auditors 62

3. Selected financial information 65

4. Risk factors 66

5. Information about the Company 67

5.1 Name, registered office, etc. 67

5.2 Objects and purposes 67

5.3 Date of incorporation and governing law 67

5.4 ISIN code 67

5.5 Financial calendar 67

5.6 Financial year and financial reporting 68

5.7 Principal banks 68

5.8 Issuing agent 68

5.9 Share registrar 68

5.10 Transactions with financial advisers and independent auditors of the Company 68

5.11 The Company's history and development 69

5.12 Investments 69
6. Business 70
6.1 Description of TORM's activities 70
6.2 The market 83
7. Organisational structure 97
7.1 Group structure 97
7.2 Functional structure 98
8. Property, plant, equipment, etc. 99
8.1 Fleet 99
8.2 Properties leased 99
8.3 Other owned land and buildings 99
8.4 Environmental and safety requirements applicable to TORM 99
8.5 Insurance 99
9. Operating and financial review 101
9.1 Introduction 101
9.2 Accounting effects from the Restructuring 103
9.3 Critical accounting estimates and judgments 105
9.4 Primary factors affecting the results of operations 107
9.5 Nine months ended September 30, 2012 with comparatives for the nine months ended September 30, 2011 108
9.6 Consolidated financial statements for the years ended December 31, 2009, 2010 and 2011 117
9.7 Investments 128
9.8 Off-balance sheet arrangements 129
9.9 Government, economic, fiscal, monetary or political initiatives 130
9.10 Significant events after the balance sheet date 130
10. Capital resources 131
10.1 Capital resources and cash flows 131
10.2 Borrowing requirements and financing structure 132
11. Research and development, patents and licences 133
12. Trend information 134
12.1 Tanker Division 134
12.2 Bulk Division 134
13. Prospective consolidated financial information 135
13.1 Statement by Management 135
13.2 Independent auditors' report on examination of Managements prospective consolidated financial information of TORM A/S for 2012 136
13.3 Introduction to prospective consolidated financial information 137
13.4 Methodology and assumptions 137

13.4.1 Methodology 137
13.4.2 Assumptions 137
13.5 Prospective consolidated financial information for 2012 139
14. Board of Directors and Executive Management 140
14.1 Board of Directors 140
14.2 Executive Management 142
14.3 Statement on past records of the Board of Directors and the Executive Management 143
14.4 Statement of kinship and statement of conflict of interest 143
15. Remuneration and benefits 145
15.1 Remuneration of the Board of Directors 145
15.2 Remuneration of the Executive Management 145
15.3 Shareholdings of the Board of Directors and the Executive Management 146
16. Practices of the Board of Directors and the Executive Management 147
16.1 Practices of the Board of Directors 147
16.2 Practices of the Executive Management 147
16.3 Information regarding contract terms of the Executive Management 147
16.4 Committees 148
16.5 Description of management reporting systems and internal control systems 148
16.6 Corporate governance 149
16.7 Guidelines for incentive schemes 149
17. Employees 152
17.1 Overview of employees 152
17.2 Shareholdings of the Board of Directors and the Executive Management 152
18. Major shareholders 157
19. Related party transactions 159
20. Financial information concerning the Company's assets and liabilities, financial position and profits and losses 161
20.1 Financial information 161
20.2 Dividend policy 161
20.3 Litigation 161
20.4 Financial position 162
21. Additional information 163
21.1 Share capital 163
21.2 Warrant, convertible securities and option programmes 163
21.3 Historical development of the Company's share capital 163
21.4 Description of the Company's articles of association 163
21.5 Description of the Company's Shares 164
21.6 Authorisation to increase the share capital 166

21.7 Extraordinary general meeting 168
21.8 Treasury shares 168
21.9 Provisions in the articles of association or other rules, which may lead to a delay of a change of control of the Company 169
21.10 Disclosure requirements 169
21.11 General meetings 170
21.12 Electronic communication 171
22. Material contracts 172
22.1 Financing Agreements 172
22.2 Financial leases 175
22.3 Joint venture agreements 175
23. Third-party information and statements by experts and declarations of interest 176
24. Documents on display 177
25. Information on capital holdings 178
26. Definitions 179
27. Glossary 182

II. The Listing 185
1. Responsibility statements 185
2. Risk factors related to the Listing 186
3. Key information 187
3.1 Working capital 187
3.2 Capitalisation and debt 188
3.3 Interests of natural and legal persons in the Listing 188
3.4 Background for the Listing 189
4. Information concerning the Listing Shares to be listed 190
4.1 Type of securities and ISIN codes 190
4.2 Applicable law and jurisdiction 190
4.3 Registration 190
4.4 Currency 190
4.5 Rights attached to the Listing Shares 190
4.6 Resolutions, authorisations and approvals of the Private Placement 190
4.7 Issue date of the Listing Shares 191
4.8 Negotiability and transferability of the Shares 191
4.9 Danish regulations governing mandatory takeover bids, redemption of shares and disclosure requirements 191
4.10 Public takeover bids by third parties for the Company's Pre-Restructuring Shares during the previous or current financial year 192

4.11 Taxation 193
5. Terms and conditions of the Listing 196
5.1 Terms, expected timetable and restrictions 196
5.2 Subscription ratio and allocation 198
5.3 Proceeds from the Listing 198
5.4 Plan of distribution and advance commitments 199
6. Admission to trading and official listing 200
6.1 Place of Listing 200
6.2 Market making agreement 200
6.3 Stabilisation and short positions 200
7. Selling shareholders and lock-up agreements 201
7.1 Shareholders that have indicated that they expect to sell their Shares 201
8. Costs of the Listing 202
9. Dilution 203
10. Additional information 204
10.1 Advisers 204
10.2 Availability of the Listing Prospectus 204

III. Part F – Financial information 205

1. Introduction to financial information 206
2. Information incorporated by reference 207
3. Reviewed consolidated financial information for the nine month periods ended September 30, 2012 and September 30, 2011 209
3.1 Statement by the Board of Directors and Executive Management 209
3.2 The independent auditor's review report on the interim consolidated financial statements for the nine month periods ended September 30, 2012 and September 30, 2011 210
3.3 Consolidated income statement 212
3.4 Consolidated statement of comprehensive income 213
3.5 Consolidated balance sheet – assets 214
3.6 Consolidated balance sheet – Equity and liabilities 215
3.7 Consolidated statement of changes in equity 216
3.8 Consolidated statement of cash flows 217
3.9 Notes to the consolidated financial statements for the nine month periods ended September 30, 2012 and September 30, 2011 218

A. APPENDIX 226

Articles of association of TORM A/S 226

RESPONSIBILITY AND STATEMENTS

The Company's statement
TORM A/S is responsible for this Listing Prospectus in accordance with Danish law.

We hereby declare that we have taken all reasonable care to ensure that, to the best of our knowledge and belief, the information contained in this Listing Prospectus is in accordance with the facts and does not omit anything likely to affect the import thereof.

Hellerup, December 7, 2012.

TORM A/S

Board of Directors

Niels Erik Nielsen *Chairman*	Christian Frigast *Deputy Chairman*	Jesper Jarlbæk
Kári Millum Garðarnar *Employee representative*	Rasmus J.S. Hoffmann *Employee representative*	

Niels Erik Nielsen – Attorney-at-Law, partner of LETT Advokatfirma

Christian Frigast – Managing Director of Axcel A/S

Jesper Jarlbæk – Board member of several companies

Kári Millum Garðarnar is employed by TORM as Master licence of navigation

Rasmus J.S. Hoffmann is employed by TORM as Chief Engineer

The above description of positions held by members of the Board of Directors is not exhaustive. For further information, see "Part I – 14. Board of Directors and Executive Management".

Executive Management

Jacob Meldgaard *CEO*	Roland M. Andersen *CFO*

DANISH TRANSLATION OF THE SUMMARY

Resuméer består af oplysningskrav, der benævnes 'Elementer'. Disse elementer er nummereret i afsnit A – E (A.1 – E.7).

Dette resumé indeholder alle de Elementer, der skal være indeholdt i et resumé for denne type værdipapirer og udsteder. Da nogle Elementer ikke skal medtages, kan der forekomme huller i nummereringen af Elementerne.

Selv om et Element skal indsættes i resuméet på grund af typen af værdipapirer og udsteder, er det muligt, at der ikke kan gives nogen relevante oplysninger om Elementet. I så fald indeholder resuméet en kort beskrivelse af Elementet med angivelsen 'ikke relevant'.

AFSNIT A – INDLEDNING OG ADVARSLER		
A.1	Advarsler	Dette resumé skal læses som indledning til Noteringsprospektet (Listing Prospectus). Enhver beslutning om investering i værdipapirerne af investoren bør træffes på baggrund af Noteringsprospektet som helhed. Den sagsøgende investor kan, hvis en sag vedrørende oplysningerne i Noteringsprospektet indbringes for en domstol, i henhold til national lovgivning i medlemsstaterne, være forpligtet til at betale omkostningerne i forbindelse med oversættelse af Noteringsprospektet, inden sagen indledes. Kun de personer, som har indgivet resuméet eller eventuelle oversættelser heraf, kan ifalde et civilretligt erstatningsansvar, men kun såfremt resuméet er misvisende, ukorrekt eller uoverensstemmende, når det læses sammen med de andre dele af Noteringsprospektet, eller ikke, når det læses sammen med Noteringsprospektets andre dele, indeholder nøgleoplysninger, således at investorerne lettere kan tage stilling til, om de vil investere i de pågældende værdipapirer.
A.2	Indikation af senere videresalg af Aktier	Ikke relevant, da Selskabet ikke har modtaget nogen indikationer fra aktionærerne om, at de agter at sælge deres Aktier.

AFSNIT B – UDSTEDER OG GARANT		
B.1	Juridisk navn og binavne	TORM A/S er moderselskab for Koncernen (Group). Selskabet driver også virksomhed under binavnene Aktieselskabet af 3. november 1986 (TORM A/S), BWT 3 A/S (TORM A/S) og Aktieselskabet Dampskibsselskabet TORM (TORM A/S).
B.2	Domicil og retlig form	Selskabets adresse: TORM A/S, Tuborg Havnevej 18, 2900 Hellerup. Selskabets hjemsted er Gentofte Kommune. Selskabet er registreret i henhold til dansk ret og blev stiftet som aktieselskab i henhold til dansk ret før 1. januar 1900.
B.3	Virksom-hedsbe-skrivelse	TORM er en af verdens største transportører af raffinerede olieprodukter og deltager desuden på tørlastmarkedet. Pr. Prospektdatoen (Listing Prospectus Date) består Selskabets flåde af 66 ejede skibe, 2 skibe med finansiel leasing og 21 skibe på længerevarende charterkontrakter. Derudover er 19 produkttankskibe enten i pool eller under kommerciel management hos TORM, og 19 tørlastskibe er inchartret på korttidskontrakter. Under finanskrisen og den globale økonomiske afmatning, som satte ind i

slutningen af 2008 og resulterede i konstant lave fragtrater og cyklisk lave skibsværdier, blev TORMs finansielle situation gradvist forværret. Som konsekvens heraf indledte TORM en dialog med sine kreditorer og opnåede i december 2011 en aftale om midlertidig henstand med sine Sikrede Långivere (Secured Lenders), som blev forlænget flere gange efterfølgende. I april 2012 meddelte TORM, at Selskabet havde indgået en betinget principaftale med sine Sikrede Långivere og visse af de største Ejere af Indchartret Tonnage (Time Charter-in Counterparties) om en langsigtet finansiel løsning, som udgjorde grundlaget for Restruktureringen.

Med gennemførelsen af Restruktureringen har TORM vundet tid til en potentiel forbedring i markedet og til potentielt at sikre Selskabets fremtidige, langsigtede kapitalstruktur. TORM har imidlertid på nuværende tidspunkt en betragtelig lånefinansiering, og hvis der ikke sker væsentlige forbedringer i markedet, vil TORM sandsynligvis fortsat have underskud, hvilket vil udhule egenkapitalen. Desuden udgør den eksisterende kapitalstruktur ikke et tilstrækkeligt grundlag for finansiering af TORMs drift og vækst på mellemlang og lang sigt, og der vil være behov for yderligere finansiering, eftergivelse af gæld eller alternative løsninger. Markedsværdien baseret på mæglervurderinger af TORMs flåde ekskl. finansielle leasingaftaler på USD 1.316 mio. pr. 30. september 2012 ligger væsentligt under TORMs udestående bankgæld på USD 1.906 mio. ved gennemførelsen af Restruktureringen. Hvis de underliggende markedsforhold ikke forbedres, er der risiko for, at forskellen mellem gælden og flådens markedsværdi vil blive større.

TORMs Finansieringsaftaler (Financing Agreements) indgået i forbindelse med Restruktureringen indeholder finansielle og driftsmæssige covenants. Såfremt de vanskelige markedsforhold i 2012 fortsætter, forventer TORM at misligholde både Arbejdskapitalfaciliteten (Super Senior Working Capital Facility) og de lånefaciliteter, der reguleres af Rammeaftalen (Framework Agreement), når de finansielle covenants testes den 30. juni 2013 og, i visse scenarier, før eller efter denne dato. I tilfælde af misligholdelse af covenants planlægger TORM at indlede forhandlinger med de Sikrede Långivere med henblik på at opnå de nødvendige afkald og justeringer.

Restruktureringen

TORM har med Selskabets Sikrede Långivere og visse af de største Ejere af Indchartret Tonnage indgået Restruktureringsaftalen, som danner grundlag for Restruktureringen, gennem et aftalekompleks. Disse aftaler og Restruktureringsaftalen tilpassede vilkårene for TORMs timecharter- og bareboatcharteraftaler med Ejerne af Indchartret Tonnage til markedsraterne pr. marts 2012, eller tillod ophævelse af timecharter- og bareboatcharteraftalerne og betød hermed en væsentlig reduktion af ikke-balanceførte forpligtelser. TORM og de Sikrede Långivere har endvidere indgået en Rammeaftale, som tilpassede de væsentlige vilkår og betingelser for alle Selskabets Gældsfaciliteter Før Restruktureringen (Pre-Restructuring Debt Facilities), og en Arbejdskapitalfacilitet med visse af de Sikrede Långivere, som sikrer Selskabet en ny revolverende facilitet på USD 100 mio.

Restruktureringen omfatter følgende væsentlige elementer:

- Ny gældsfinansiering (arbejdskapital) fra visse Sikrede Långivere
- Restrukturering af Gældsfaciliteterne Før Restruktureringen
- Restrukturering af charteraftaler

Den nye gældsfinansiering består af en ny Arbejdskapitalfacilitet på USD 100 mio. som er til rådighed indtil og forfalder 30. september 2014 uden faste afdrag, men med et cash sweep på 75% af den likvide beholdning (efter rentebetalinger) på over USD 50 mio. og 100% af den likvide beholdning (efter rentebetalinger) på over USD 100 mio. Der er trukket USD 60 mio. på Arbejdskapitalfaciliteten i forbindelse med Restruktureringens gennemførelse til dækning af blandt andet påløbne renter på Gældsfaciliteterne Før Restruktureringen og afholdte

		omkostninger i forbindelse med Restruktureringen. Rammeaftalen giver mulighed for henstand med betaling af afdrag på Gældsfaciliteterne Før Restruktureringen indtil 30. september 2014 med et cash sweep på 75% af den likvide beholdning (efter rentebetalinger og kun hvis Arbejdskapitalfaciliteten er fuldt indfriet) på over USD 50 mio. og 100% af den likvide beholdning (efter rentebetalinger og kun hvis Arbejdskapitalfaciliteten er fuldt indfriet) på over USD 100 mio. Selskabet skal afdrage USD 50 mio. i andet halvår af 2014 og USD 100 mio. om året i henholdsvis 2015 og 2016. Alle Gældsfaciliteterne Før Restruktureringen forfalder 31. december 2016. Der gælder ensartede covenants og misligholdelsesbestemmelser for alle bankgældsfaciliteter. De finansielle covenants omfatter blandt andet minimumslikviditet, maksimumsgrænser for belåningsgrad (loan-to-value) vedrørende senior lånetranchen, maksimumsgrænser for nettogearingsgrad og minimumsrentedækning. De driftsmæssige covenants omfatter forbud mod optagelse af yderligere gæld, forbud mod transaktioner med afledte finansielle instrumenter, begrænsninger vedrørende aktieudstedelser, begrænsninger vedrørende afhændelser og køb samt begrænsninger vedrørende timecharter. Rammeaftalen indeholder individuelle optionsrettigheder for långiverne bag tre af Selskabets bankfaciliteter til at anmode om salg af skibe, der er finansieret af de pågældende bankfaciliteter. Optionerne vedrører bankfaciliteter, der finansierer henholdsvis tretten, fem og fire skibe. I henhold til optionerne skal Selskabet fremlægge en salgsstrategi, som skal godkendes af de relevante långivere, for de skibe, der er omfattet af optionerne. Långiverne bag de enkelte bankfaciliteter har indtil 31. juli 2014, med visse muligheder for forlængelse, en ret, men ikke en forpligtelse, til at udnytte deres optioner vedrørende de skibe, der er finansieret af den pågældende facilitet. Hvis en option udnyttes, men TORM ikke sælger de pågældende skibe i henhold til salgsstrategien inden for en nærmere bestemt periode, har den pågældende indehaver af optionen en uigenkaldelig og ubegrænset ret, men ikke en forpligtelse, til at afhænde de pågældende skibe. Långiverne bag den bankfacilitet, der finansierer fem af skibene, har udnyttet deres option og således iværksat den i Rammeaftalen fastlagte proces for så vidt angår disse fem skibe. Den samlede udestående gæld i henhold til den bankfacilitet, der finansierer fem skibe, var ved gennemførelsen af Restruktureringen USD 121 mio. Den bogførte værdi af de fem skibe var USD 210 mio. pr. 30. september 2012, og markedsværdien baseret på mæglervurderinger var USD 141 mio. pr. 30. september 2012. De fem skibe havde en gennemsnitsalder på to år ved gennemførelsen af Restruktureringen. Den samlede udestående gæld i henhold til de bankfaciliteter, der finansierer tretten skibe, var ved gennemførelsen af Restruktureringen USD 223 mio., og den samlede udestående gæld i henhold til de bankfaciliteter, der finansierer fire skibe, var ved gennemførelsen af Restruktureringen USD 107 mio. Den bogførte værdi af de tretten skibe var USD 284 mio. pr. 30. september 2012, og den bogførte værdi af de fire skibe var USD 183 mio. pr. 30. september 2012. Markedsværdien baseret på mæglervurderinger var USD 218 mio. for de tretten skibe og USD 116 mio. for de fire skibe pr. 30. september 2012. Gennemsnitsalderen var for de tretten skibe ti år og for de fire skibe et år ved gennemførelsen af Restruktureringen. I det omfang, skibe bliver solgt i henhold til optionerne, vil TORM forsøge at bevare skibenes tilknytning til Selskabet. Ejerne af Indchartret Tonnage har som led i Restruktureringen accepteret, at de på daværende tidspunkt eksisterende timecharter- og bareboatcharteraftaler enten ændres, og at fragtraterne tilpasses til markedsraterne pr. marts 2012, eller at ophæve kontrakterne og få tilbageleveret skibene. Disse ændringer har medført betydelige besparelser i Selskabets fremtidige timecharter- og

bareboatforpligtelser. TORM vurderer, at ændringerne i timecharter- og bareboatcharteraftalerne svarer til en positiv nominel mark-to-market-besparelse for Selskabet på ca. USD 270 mio. beregnet som den nominelle forskel mellem de oprindelige kontraktligt indgåede fragtrater og markedsreferenceraten pr. marts 2012. TORM har som led i Restruktureringsaftalen tilbageleveret eller aftalt at tilbagelevere 22 skibe til Ejerne af Indchartret Tonnage og annulleret fire aftaler om indchartring af skibe under konstruktion.

I henhold til betingelserne i Restruktureringsaftalen og de tilhørende aftaler har de Sikrede Långivere og Ejerne af Indchartret Tonnage modtaget et vederlag for Arbejdskapitalfaciliteten, ændringerne i Selskabets Gældsfaciliteter Før Restruktureringen og ændringerne samt visse frigivelser og afkald vedrørende kontrakterne med Ejerne af Indchartret Tonnage, der består af et restruktureringshonorar og en aftalt samlet gæld på ca. USD 200 mio., som er konverteret til Noteringsaktierne (Listing Shares) ved gennemførelsen af Restruktureringen.

Noteringsaktierne er udstedt til de Sikrede Långivere og Ejerne af Indchartret Tonnage i en Rettet Emission (Private Placement) på 655,2 mio. Noteringsaktier den 5. november 2012 til en tegningskurs på DKK 1,79, hvilket har resulteret i en ny aktionærstruktur i Selskabet, hvor Aktionærerne Før Restruktureringen (Pre-Restructuring Shareholders) har bevaret en ejerandel på 10% af TORM, de Sikrede Långivere (eller deres rettighedserhververe) har fået en ejerandel på 72,8% og Ejerne af Indchartret Tonnage (eller deres rettighedserhververe) har fået en ejerandel på 17,2%. Fordelingen af Noteringsaktierne er aftalt separat mellem de Sikrede Långivere og Ejerne af Indchartret Tonnage og var en del af Restruktureringsaftalen.

Forretningsområder

TORMs aktiviteter er opdelt i to divisioner, Tankdivisionen og Tørlastdivisionen. Tankdivisionen står for Selskabets tankaktiviteter, primært inden for transport af raffinerede olieprodukter som benzin, flybrændstof, kerosin, nafta, dieselolie og fyringsolie, men transporterer desuden lejlighedsvis råolie. Tørlastdivisionen står for Selskabets tørlastaktiviteter inden for transport af tørlastprodukter som kul, jernmalm, korn og mineraler. Tankdivisionen er den største af de to divisioner med ca. 70% af TCE-indtjeningen i 2011 og 80% af TCE-indtjeningen i perioden 1. januar til 30. september 2012.

TORM har pr. Prospektdatoen en flåde på 78 produkttankskibe fordelt på 64 ejede, 2 med finansiel leasing og 12 skibe på længerevarende charterkontrakter. Derudover er yderligere 19 produkttankskibe enten i pool eller under kommerciel management hos TORM.

TORM er aktiv inden for Handysize, MR, LR1 og LR2 segmentet på produkttankmarkedet. Selskabet har en omfattende struktur med en organisation, der varetager de fleste funktioner inden for både kommerciel og teknisk management. Det er ledelsens opfattelse, at TORM som en af verdens største produkttankskibsejere har væsentlige stordriftsfordele og har opnået en indtjening over de generelle benchmark-ruter for så vidt angår skibe beskæftiget på spotmarkedet.

Selskabets tørlastflåde består af to ejede Panamax tørlastskibe og 9 skibe på længerevarende charterkontrakter. Endvidere omfatter flåden 19 skibe på kortere charterkontrakter.

Ejede skibe[1] pr. Prospektdatoen

Skibe	Antal skibe	Gennemsnits-alder	Gennemsnit-lig tdw	Samlet tdw
Ejede				
Produkttankskibe				
LR2	9	8,4	105.052	945.464
LR1	7	7,4	74.021	518.150
MR	39	6,7	47.949	1.869.994
Handysize	11	9,0	36.620	402.824
Produkttankskibe i alt	**66**	**7,4**	**56.613**	**3.736.432**
Tørlast				
Panamax	2	8,0	75.054	150.107
Handymax	-	-	-	-
Tørlast i alt	**2**	**8,0**	**75.054**	**150.107**
I alt	**68**	**7,4**	**57.160**	**3.886.867**

Note: 1) Inklusive finansielt leasede skibe
Kilde: TORM

Indchartrede skibe[1] pr. Prospektdatoen

Indchartret på timecharter af mere end 12 måneders varighed[3]	Antal skibe	Til tilbagelevering[2)]
Produkttankskibe		
LR2	2	-
LR1	6	4
MR	4	-
Handysize	-	-
Produkttankskibe i alt	**12**	**4**
Tørlast		
Panamax	8	-
Handymax	1	-
Tørlast i alt	**9**	-
Indchartret på timecharter af mindre end 12 måneders varighed [3]		
Produkttankskibe		
LR2	-	-
LR1	-	-
MR	-	-
Handysize	-	-
Produkttankskibe i alt	-	-
Tørlast		
Panamax	12	-
Handymax	7	-
Tørlast i alt	**19**	**-**

Note: 1) Inklusive finansielt leasede skibe, 2) Tilbageleveres som led i Restruktureringen, 3) Varighed på tidspunktet for charterkontraktens indgåelse
Kilde: TORM

Baseret på mæglervurderinger var markedsværdien af TORMs ejede flåde ekskl. skibe med finansiel leasing USD 1.316 mio. pr. 30. september 2012.

TORM har ét geografisk segment, idet Selskabet betragter verdensmarkedet som en sammenhængende enhed, og de enkelte skibes aktiviteter ikke begrænser sig til bestemte geografiske markeder. Selskabet har således opbygget stærke forbindelser og leverer ydelser til kunder over hele verden. I 2011 og i første til tredje kvartal 2012 stod de 10 største kunder for henholdsvis 35% og 45% af

omsætningen.

TORMs afdækning i Tankdivisionen pr. 30. september 2012 er 15% for 2012 og 6% for 2013. Den lave afdækning er i overensstemmelse med TORMs strategi og gør det muligt for Selskabet at drage fordel af et potentielt markedsopsving.

Afdækkede og indchartrede dage i Tankdivisionen pr. 30. september 2012 (inkl. konsekvenserne af Restruktureringen)

	2012	2013	2014	2012	2013	2014
		Ejede dage				
LR2	799	2.824	2.904			
LR1	637	2.509	2.509			
MR	3.427	14.037	14.075			
Handysize	1.001	3.975	3.944			
I alt	*5.864*	*23.344*	*23.432*			
	T/C dage til fast rate			*T/C omkostninger (USD/dag)*		
LR2	-	-	-	-	-	-
LR1	785	75	-	17.914	11.000	-
MR	242	1.049	726	13.188	14.046	15.145
Handysize	-	-	-	-	-	-
I alt	*1.027*	*1.124*	*726*	*16.800*	*13.843*	*15.145*
	T/C dage til variabel rate					
LR2	182	726	725			
LR1	-	-	-			
MR	91	363	363			
Handysize	-	-	-			
I alt	*273*	*1.089*	*1.088*			
	Antal fysiske dage i alt			*Antal afdækkede dage*		
LR2	981	3.550	3.629	176	391	337
LR1	1.422	2.584	2.509	236	365	175
MR	3.760	15.449	15.164	634	743	-
Handysize	1.001	3.975	3.944	30	-	-
I alt	*7.164*	*25.557*	*25.246*	*1.076*	*1.499*	*512*
	Afdækket i %			Afdækningsrater (USD/dag)		
LR2	18%	11%	9%	15.687	16.650	16.617
LR1	17%	14%	7%	14.228	15.666	15.666
MR	17%	5%	0%	13.759	13.932	-
Handysize	3%	0%	0%	5.378	-	-
I alt	*15%*	*6%*	*2%*	*13.944*	*15.063*	*16.292*

Dagsværdi af fragtratekontrakter som dagsværdireguleres over resultatopgørelsen (USD mio.):
Kontrakter, der ikke er omfattet af ovenstående: 0,0
Kontrakter, der er omfattet af ovenstående: -0,1
Note: Faktiske antal dage kan afvige fra det skønnede antal dage, primært som følge af skibssalg og forsinkelser i levering af skibe. T/C dage til fast rate omfatter ikke eventuelle effekter af aftaler om overskudsdeling. T/C dage til variabel rate bestemmer raterne ved indgangen til hvert kvartal, hvorefter TORM får et overskud/underskud på ca. 10% i forhold til denne rate
Kilde: TORM

I Tørlastdivisionen har TORM på grund af Selskabets forsigtige forventninger til tørlastmarkederne et mål om at afdække en væsentlig del af ejede og langtidschartrede skibe. Pr. 30. september 2012 er TORMs afdækning i Tørlastdivisionen for 2012 og 2013 henholdsvis 103% og 57%.

Afdækkede og indchartrede dage i Tørlastdivisionen pr. 30. september 2012 (inkl. konsekvenserne af Restruktureringen)

	2012	2013	2014	2012	2013	2014
		Ejede dage				
Panamax	180	726	694			
Handymax	-	-	-			
I alt	*180*	*726*	*694*			
		T/C dage til fast rate			*T/C omkostninger (USD/dag)*	
Panamax	573	1.964	1.817	14.216	12.880	12.386
Handymax	339	-	-	12.509	-	-
I alt	*912*	*1.964*	*1.817*	*13.815*	*12.880*	*12.386*
		T/C dage til variabel rate				
Panamax	91	726	411			
Handymax	147	363	363			
I alt	*238*	*1.089*	*774*			
		Antal fysiske dage i alt			*Antal afdækkede dage*	
Panamax	844	3.416	2.922	1.007	990	25
Handymax	486	363	363	365	1.167	869
I alt	*1.330*	*3.779*	*3.285*	*1.372*	*2.157*	*895*
		Afdækket i %			Afdækningsrater (USD/dag)	
Panamax	119%	29%	1%	11.387	15.380	20.436
Handymax	75%	321%	240%	8.781	13.978	16.725
I alt	*103%*	*57%*	*27%*	*10.694*	*14.621*	*16.831*

Dagsværdi af fragtratekontrakter som dagsværdireguleres over resultatopgørelsen (USD mio.):
Kontrakter, der ikke er omfattet af ovenstående: 0,0
Kontrakter, der er omfattet af ovenstående: 6,6
Note: Faktiske antal dage kan afvige fra det skønnede antal dage, primært som følge af skibssalg og forsinkelser i levering af skibe. T/C dage til fast rate omfatter ikke eventuelle effekter af aftaler om overskudsdeling. T/C dage til variabel rate bestemmer raterne ved indgangen til hvert kvartal, hvorefter TORM får et overskud/underskud på ca. 10% i forhold til denne rate.
Kilde: TORM

Markedsforhold

Shippingbranchen tilbyder den mest praktiske og omkostningseffektive form for transport af store mængder last på internationale handelsruter. Branchen er sammensat af en række segmenter, opdelt efter hvilken type last, der transporteres. Segmenterne omfatter blandt andet tanksegmentet (som transporterer råolie, raffinerede olieprodukter og kemikalier) og tørlastsegmentet (som primært transporterer jernmalm, korn og kul). Tanksegmentet kan yderligere opdeles i råolie- og produkttanksegmentet. Segmenterne er hver især mere eller mindre konjunkturfølsomme og oplever således udsving i fragtrater og skibsværdier. Fragtraterne og skibsværdierne afhænger primært af udbud af og efterspørgsel efter skibskapacitet, som svinger betydeligt, primært som følge af ændringer i den globale økonomis aktivitetsniveau og -mønster.

Udbuddet af skibskapacitet og udviklingen heri måles ved mængden af egnet skibskapacitet til at transportere laster, og opgøres ud fra størrelsen af den eksisterende flåde i et bestemt shippingsegment, antallet af nybygninger i ordre, skrotning af gamle skibe og antallet af skibe, der ikke er aktive (dvs. oplagt, i tørdok eller af anden grund utilgængelige) eller i venteposition ved havnene. Ud over gældende og forventede fragtrater er nybygningspriser, stålpriser, værftskapacitet, driftsomkostninger, tilgængeligheden af finansiering og omkostninger forbundet med overholdelse af miljø- og andre globale lovmæssige krav ligeledes faktorer, der påvirker antallet af nybygninger, skrotninger og oplægninger.

Efterspørgslen efter skibe bestemmes primært af mængden af last, der skal

		transporteres, samt af afstanden fra oprindelsesstedet til destinationen. Selv om der er en sammenhæng i dynamikken mellem udbud og efterspørgsel inden for de forskellige segmenter i shippingbranchen, fungerer segmenterne uafhængigt af hinanden og er påvirket af forskellige makroøkonomiske faktorer. Skibe er designet til drift inden for et bestemt segment og konkurrerer normalt ikke med skibe i andre segmenter.
B.4a	Tenden-ser	Verdensøkonomien er fortsat påvirket af recession, og den økonomiske vækst forventes at være moderat i 2012. Der er dog stor variation mellem regionerne, idet de europæiske lande og USA har negative eller meget moderate vækstrater, mens Kina og Indien har større vækstrater. Shippingbranchen har været kraftigt påvirket af denne udvikling, idet den – ud over generelt lavere efterspørgsel efter varer og tjenesteydelser – har medført ændringer i handelsmønster og forbrug af fossile brændstoffer, hvor efterspørgslen i stigende grad kommer fra den voksende kinesiske økonomi. ***Tankdivisionen*** Den globale produkttankskibsflåde er vokset i de senere år, idet den stærke økonomiske vækst i perioden før 2008 førte til store investeringer i nybygninger. Den økonomiske krise kombineret med de lavere fragtrater har dog ført til en væsentlig ordrenedgang. Som følge heraf forventes den årlige vækst i produkttankskibsflåden at falde i de kommende år, men indtil videre er der en overkapacitet af tonnage. På produkttankmarkedet var fragtraterne i tredje kvartal 2012 på et sæsonmæssigt lavt niveau, men i første del af fjerde kvartal 2012 er de steget. ***Tørlastdivisionen*** Der er i de senere år sket en udvidelse af den globale tørlastflåde, idet den økonomiske vækst før 2008 gjorde det økonomisk fordelagtigt for befragtere at investere i flådeudvidelser. Med den økonomiske krise faldt fragtraterne imidlertid, hvilket medførte en nedgang i antallet af ordrer på nybygninger, og flådens nettovækst forventes at falde i de kommende år, men indtil videre er der en overkapacitet af tonnage. Fragtraterne for alle tørlastsegmenter var under pres i tredje kvartal 2012 og har fortsat ligget på et lavt niveau i første del af fjerde kvartal 2012.
B.5	Koncern-struktur	TORM A/S er Koncernens moderselskab. Selskabets væsentligste datterselskaber omfatter datterselskaber med aktiviteter pr. Prospektdatoen. Ud over de væsentligste datterselskaber og TORMs øvrige datterselskaber ejer TORM 50% af FR8 Holdings Pte. Ltd. (under likvidation), LR2 Management K/S, og 25% af TORM Shipping (Phils.), Inc, der alle drives i fællesskab med én eller flere andre virksomheder og er under fælles kontrol.
B.6	Større Aktionæ-rer	Nedenstående tabel anfører de aktionærer, som pr. Prospektdatoen har meddelt Selskabet, at de ejer mindst 5% af Selskabets Aktier eller stemmerettigheder samt disse aktionærers faktiske aktiebesiddelse/andel af stemmerne.

		Større Aktionærer i Selskabet pr. Prospektdatoen **Aktionær** / **Nominel værdi af Aktier i DKK** / **Antal Aktier** / **Aktiebesiddelse og stemmerettigheder (%)** HSH Nordbank AG / 993.709,20 / 99.370.920 / 13,6% Danske Bank A/S / 835.668,18 / 83.566.818 / 11,5% Nordea Bank Danmark A/S / 821.110,87 / 82.111.087 / 11,3% Deutsche Bank AG / 453.745,41 / 45.374.541 / 6,2% DBS Bank Ltd. / 399.096,23 / 39.909.623 / 5,5% Alpha Trust[1)] / 380.208,04 / 38.020.804 / 5,2% *Note: 1) Alpha Trust er en familieejet fond, der har hjemsted på Cypern og er underlagt cypriotisk lovgivning. Alpha Trust's ejerskab er baseret på dets meddelelse til Selskabet i henhold til selskabslovens § 55 og værdipapirhandelslovens § 29 af 23. september 2011 og på dets meddelelse vedrørende afgivelse af fuldmagt til bestyrelsesformanden i TORM A/S i forbindelse med den ordinære generalforsamling den 23. april 2012 justeret for udvanding efter Restruktureringen.* TORM har én aktieklasse, hver aktie giver én stemme, og der er ingen ejer- eller stemmeretsbegrænsninger. Ved afslutningen af Restruktureringen var mere end 90% af Aktierne og stemmerettighederne i Selskabet ejet af et begrænset antal aktionærer, herunder de Sikrede Långivere og Ejerne af Indchartret Tonnage. Pr. Prospektdatoen ejer de Sikrede Långivere og visse af Ejerne af Indchartret Tonnage mere end 33 1/3% af Selskabets Aktier og stemmerettigheder. I forbindelse med Restruktureringen modtog de Sikrede Långivere og visse af Ejerne af Indchartret Tonnage fritagelse fra reglerne om pligtmæssige overtagelsestilbud fra Finanstilsynet. TORM vil efter offentliggørelsen af dette Noteringsprospekt indkalde til en ekstraordinær generalforsamling blandt andet med det formål at foretage en vedtægtsændring, herunder vedtage visse minoritetsbeskyttende rettigheder, hvorefter Selskabets udstedelse af aktier mod gældskonvertering eller udstedelse af aktier uden fortegningsret til eksisterende aktionærer kræver samtykke fra aktionærer, der repræsenterer 90% af aktiekapitalen og stemmerettighederne. Den ekstraordinære generalforsamling vil endvidere blive indkaldt med det formål at vælge nye bestyrelsesmedlemmer, som eventuelt vil erstatte en eller flere af de eksisterende generalforsamlingsvalgte bestyrelsesmedlemmer, samt forlænge valgperioden for generalforsamlingsvalgte bestyrelsesmedlemmer til to år. I henhold til Restruktureringsaftalen har TORMs Sikrede Långivere og visse Ejere af Indchartret Tonnage indgået aftale om at stemme for forslagene.
B.7	Resumé af regn-skabs-oplys-ninger	Hoved- og nøgletallene for 2009, 2010 og 2011 i dette afsnit er uddraget af TORMs reviderede koncernregnskaber for regnskabsårene 2009, 2010 og 2011. Regnskaberne er aflagt i overensstemmelse med IFRS som godkendt af EU og yderligere danske oplysningskrav for børsnoterede selskaber. Hoved- og nøgletallene for første til tredje kvartal 2012 med sammenligningstal for samme periode i 2011 er uddraget af TORMs delårsregnskab for første til tredje kvartal 2012 med sammenligningstal for første til tredje kvartal 2011, som er aflagt i overensstemmelse med IAS 34 som godkendt af EU. Delårsregnskaberne for Koncernen er reviewet til brug for dette Noteringsprospekt. Nedenstående oplysninger bør læses i sammenhæng med TORMs koncernregnskaber for regnskabsårene 2009, 2010 og 2011, som indgår ved henvisning i dette Noteringsprospekt. TORM driver virksomhed i en global branche, hvor blandt andet fragtrater og bunkers afregnes i USD. Alle TORMs regnskaber aflægges derfor i USD.

Hoved- og nøgletal for TORM

	Helåret			1.-3. kvt.	
Resultatopgørelse	**2009**	**2010**	**2011**	**2011 (Urevideret)**	**2012 (Urevideret)**
(USD mio.)					
Nettoomsætning	862	856	1.305	938	839
Timecharterækvivalent (TCE) indtjening	633	561	644	474	364
Dækningsbidrag	243	180	81	69	31
EBITDA	203	97	-44	17	-41
Resultat af primær drift (EBIT)	50	-80	-389	-93	-186
Resultat før skat	-19	-136	-451	-139	-288
Årets resultat	-17	-135	-453	-140	-289
Årets resultat ekskl. tab for nedskrivning	3	-100	-253	-140	-248

	Pr. 31. december			Pr. 30. september	
	2009	**2010**	**2011**	**2011**	**2012**
Balance				**(Urevideret)**	**(Urevideret)**
(USD mio.)					
Langfristede aktiver	2.944	2.984	2.410	2.780	2.257
Aktiver i alt	3.227	3.286	2.779	3.119	2.507
Egenkapital	1.247	1.115	644	958	358
Forpligtelser i alt	1.981	2.171	2.135	2.161	2.149
Investeret kapital	2.926	2.987	2.425	2.782	2.204
Netto rentebærende gæld	1.683	1.875	1.787	1.836	1.858
Likvide beholdninger	122	120	86	96	13

	Helåret			1.-3. kvt.	
	2009	**2010**	**2011**	**2011**	**2012**
Pengestrømme				**(Urevideret)**	**(Urevideret)**
(USD mio.)					
Fra driftsaktiviteter	116	-1	-75	-62	-71
Fra investeringsaktiviteter	-199	-187	168	104	3
deraf investering i materielle anlægsaktiver	-289	-254	-118	-107	-57
Fra finansieringsaktiviteter	37	186	-128	-66	-6
Pengestrømme i alt (netto)	-46	-2	-34	-24	-73

	Helåret			1.-3. kvt.	
Finansielle nøgletal [1]	**2009**	**2010**	**2011**	**2011 (Urevideret)**	**2012 (Urevideret)**
Marginer (i forhold til nettoomsætning):					
Indtjening (TCE)	73,4%	65,5%	49,4%	50,6%	43,4%
Dækningsbidrag	28,2%	21,0%	6,2%	7,4%	3,7%
EBITDA	23,5%	11,3%	-3,4%	1,8%	-4,9%
Resultat af primær drift (EBIT)	5,8%	-9,3%	-29,8%	-9,9%	-22,2%
Egenkapitalforrentning (RoE) (pr. år)	-1,3%	-11,4%	-51,5%	-17,9%	-75,9%
Afkast af investeret kapital (RoIC) (pr. år) 2)	1,7%	-2,7%	-14,4%	-4,3%	-10,5%
Egenkapitalens andel af aktiver	38,6%	33,9%	23,2%	30,7%	14,3%
Valutakurs USD/DKK, ultimo	5,19	5,61	5,75	5,51	5,77
Valutakurs USD/DKK, gennemsnit	5,36	5,62	5,36	5,31	5,80

	Helåret			1.-3. kvt.	
Aktierelaterede nøgletal [1]	**2009**	**2010**	**2011**	**2011 (Urevideret)**	**2012 (Urevideret)**
Resultat pr. aktie, EPS (USD)	-0,3	-2,0	-6,5	-2,0	-4,2
Udvandet resultat pr. aktie, EPS (USD)	-0,3	-2,0	-6,5	-2,0	-4,2
Cash flow pr. aktie, CFPS (USD)	1,7	0,0	-1,1	-0,9	-1,0
Foreslået udbytte pr. aktie (USD)	0,00	0,00	0,00	0,00	0,00
Foreslået udbytte pr. aktie (DKK)	0,00	0,00	0,00	0,00	0,00
Ekstraordinært udbytte pr. aktie (DKK)	0,00	0,00	0,00	0,00	0,00
Aktiekurs i DKK, ultimo (pr. aktie à DKK 5)	50,7	39,7	3,7	7,3	2,8
Antal aktier, ultimo (mio.)	72,8	72,8	72,8	72,8	72,8
Antal aktier (ekskl. egne aktier), gns. (mio.)	69,2	69,3	69,6	69,5	69,6

Noter:
1) Nøgletallene er beregnet i overensstemmelse med Den Danske Finansanalytikerforenings anbefalinger.
2) Afkast af investeret kapital defineres som: Resultat af primær drift divideret med gennemsnitlig investeret kapital, defineret som gennemsnittet af primo- og ultimoværdien af (egenkapital plus netto rentebærende gæld minus ikke-operative aktiver).

		TCE-indtjeningen for perioden 1. januar – 30. september 2012 udgjorde USD 364 mio. i forhold til USD 474 mio. for den tilsvarende periode i 2011. Faldet i TCE-indtjening på USD 110 mio. skyldtes en reduktion af antallet af disponible indtjeningsdage samt af TCE-indtjening pr. indtjeningsdag i forhold til perioden 1. januar – 30. september 2011. Resultatet af primær drift (EBIT) udgjorde et underskud på USD 186 mio. for perioden 1. januar – 30. september 2012 i forhold til et underskud på USD 93 mio. for den tilsvarende periode i 2011. Faldet i EBIT skyldtes lavere fragtrater, nedskrivninger vedrørende Selskabets 50% ejerandel i FR8 samt tab fra salg af skibe. TCE-indtjeningen for 2011 udgjorde USD 644 mio. mod USD 561 mio. for 2010 og USD 633 mio. for 2009. Stigningen i TCE-indtjeningen fra 2010 til 2011 skyldtes primært en væsentlig stigning i antallet af disponible indtjeningsdage på 30%, især i Tørlastdivisionen. Stigningen blev delvist opvejet af væsentligt lavere fragtrater i Tankdivisionen, især inden for Handysize, LR1 og LR2-

		forretningsområderne, og Panamax Tørlastområdet. Resultatet af primær drift (EBIT) var et underskud på USD 389 mio. for 2011 mod et underskud på USD 80 mio. for 2010 og et overskud på USD 50 mio. for 2009. Resultatnedgangen i 2011 i forhold til 2010 skyldtes primært et nettotab på USD 53 mio. fra salg af skibe og nedskrivninger på USD 200 mio. vedrørende Tankdivisionen og FR8, i forhold til et nettooverskud fra salg af skibe på USD 2 mio. og nedskrivninger på USD 35 mio. vedrørende FR8 i 2010. Væsentligt lavere fragtrater bidrog ligeledes negativt til TORMs driftsresultat. Bortset fra indgåelsen af Restruktureringsaftalen den 2. oktober 2012 og gennemførelsen af Restruktureringen den 5. november 2012 er ledelsen ikke bekendt med væsentlige begivenheder, der har fundet sted efter balancedagen i delårsrapporten for perioden 1. januar – 30. september 2012, som vil påvirke Selskabets aktiver, passiver og finansielle stilling.
B.8	Proforma-regnskabs-oplys-ninger	Ikke relevant, da der ikke præsenteres proforma-regnskabsoplysninger i prospektet.
B.9	Resultat-forvent-ninger eller -prognoser for 2012	Ledelsen forventer et underskud før skat i størrelsesordenen USD 500-530 mio. for 2012 inkl. den regnskabsmæssige påvirkning af Restruktureringen og ekskl. yderligere salg af skibe og potentielle nedskrivninger. Forventningerne til helåret 2012 er forbundet med usikkerhed som følge af den ustabile verdensøkonomi, udsving i fragtraterne og TORMs åbne indtjeningsdage i produkttanksegmentet/mulighed for at afdække åbne indtjeningsdage til de forudsatte rater.
B.10	Revisions-påtegning-er med forbehold	Ikke relevant, da der ikke er afgivet revisionspåtegninger med forbehold.
B.11	Arbejds-kapital	Der kan ikke gives sikkerhed for, at Koncernens arbejdskapital er tilstrækkelig til at dække det nuværende behov i en periode på 12 måneder fra Prospektdatoen. TORMs Finansieringsaftaler indeholder restriktive finansielle covenants, og TORMs forretning i perioden efter Restruktureringen er forbundet med usikkerhed. Såfremt de vanskelige markedsforhold i 2012 fortsætter, forventer TORM at misligholde både Arbejdskapitalfaciliteten og de faciliteter, der reguleres af Rammeaftalen, når de finansielle covenants testes den 30. juni 2013 og, ifølge visse scenarier, før eller efter denne dato. I tilfælde af misligholdelse kan de Sikrede Långivere kræve, at både Arbejdskapitalfaciliteten og de faciliteter, der reguleres af Rammeaftalen, forfalder til betaling, og TORM kan ikke forvente at kunne opnå tilstrækkelig finansiering til at dække en sådan tilbagebetaling. I så tilfælde vil TORM ikke have tilstrækkelig arbejdskapital til at dække det nuværende behov i perioden indtil 12 måneder efter Prospektdatoen. I den nuværende situation søger TORM ikke yderligere finansiering, og TORM anser det ikke for sandsynligt, at TORM kan opnå yderligere finansiering til dækning af sine betalingsforpligtelser i tilfælde af misligholdelse af covenants. I tilfælde af misligholdelse af covenants planlægger TORM i stedet at indlede forhandlinger af disse covenants med de Sikrede Långivere. Sådanne forhandlinger kan i givet fald blive langvarige, og der kan ikke gives sikkerhed for, at de vil lykkes. Hvis det ikke lykkes for TORM at opnå nye aftaler med de Sikrede Långivere og andre kreditorer, kan TORM i sidste ende være tvunget til at indlede konkursbehandling. I de kommende 12 måneder vil Finansieringsaftalernes finansielle covenants blive testet som følger: • Likviditetskrav: Likvide beholdninger plus den tilgængelige del af arbejdskapitalfaciliteten på USD 100 mio. skal til enhver tid overstige USD

		50 mio. fra 31. december 2012. Dette vil senere blive ændret til et krav om likvide beholdninger på USD 30 mio. pr. 30. september 2014 og USD 40 mio. pr. 31. marts 2015. Pr. 5. november 2012 havde Selskabet en likviditet på USD 65 mio., bestående af likvide beholdninger på USD 25 mio. og et uudnyttet beløb på USD 40 mio. af Arbejdskapitalfaciliteten. • Belåningsgrad: Den udestående gæld under senior lånetranchen i procent af Selskabets flådeværdi (ekskl. skibe med finansiel leasing) skal til enhver tid være 85% eller derunder i perioden fra 30. juni 2013 til 12 måneder efter Prospektdatoen. Baseret på en flådeværdi på USD 1.316 mio. pr. 30. september 2012 og udestående gæld under senior lånetranchen pr. 5. november 2012 på USD 1.020 mio. er belåningsgraden 78%. Fra 30. juni 2013 skal flådeværdien være mindst USD 1.200 mio. Flådeværdien må altså ikke falde med mere end 9% for at overholde denne covenant (under forudsætning af, at Selskabets senior lånetranche er uændret). Flådeværdien pr. 30. september 2012 faldt 28% i perioden fra 30. september 2011 til 30. september 2012. • Konsolideret nettogæld i forhold til EBITDA: Indledningsvis er der aftalt et forhold på maksimalt 30:1, hvilket testes 30. juni 2013 og 30. september 2013 i de 12 måneder efter Prospektdatoen. Baseret på nettogæld som defineret i denne covenant svarende til USD 1.896 mio. pr. 5. november 2012 skal EBITDA som defineret i denne covenant for perioden fra 30. juni 2012 til 30. juni 2013 være mindst USD 63 mio. for at overholde denne covenant pr. 30. juni 2012 (under forudsætning af, at nettogælden er uændret). EBITDA som defineret i denne covenant for tredje kvartal 2012 var USD 1 mio., og dermed skal EBITDA som defineret i denne covenant for perioden 1. oktober 2012 til 30. juni 2013 overstige USD 62 mio. for at opfylde denne covenant. Hvis de vanskelige markedsforhold, der har hersket i 2012, fortsætter i en længere periode, forventer TORM ikke at opnå dette EBITDA-niveau. • Rentedækning: Testes ikke i de efterfølgende 12 måneder fra Prospektdatoen.

AFSNIT C – VÆRDIPAPIRER		
C.1	Noterings-aktier	Selskabets Aktier Før Restruktureringen (Pre-Restructuring Shares) er noteret på NASDAQ OMX Copenhagen i ISIN koden DK0060082915. Noteringsaktierne er i øjeblikket udstedt i den midlertidige ISIN kode DK0060443877, der ikke bliver handlet og ikke er officielt noteret på NASDAQ OMX Copenhagen. Selskabet har én aktieklasse, og ingen Aktier har særlige rettigheder.
C.2	Noterings-aktiernes valuta	Noteringsaktierne er denomineret i danske kroner.
C.3	Beskrivelse af Selskabets aktie-kapital	Selskabets registrerede aktiekapital udgør pr. Prospektdatoen nominelt DKK 7.280.000 fordelt på 728 mio. Aktier à nominelt DKK 0,01. Aktiekapitalen er fuldt indbetalt.
C.4	Aktiernes rettigheder	Alle Aktier har samme rettigheder, og vedtægterne indeholder ingen bestemmelser om indløsning eller ombytning af Aktier, ud over bemyndigelser til at udstede konvertible gældsinstrumenter og præferenceaktier. Som følge af

		gennemførelsen af Restruktureringen forventes der i forbindelse med den ekstraordinære generalforsamling, der vil blive indkaldt efter offentliggørelsen af Noteringsprospektet, fremsat forslag om, at bemyndigelserne til bestyrelsen til at forhøje aktiekapitalen vil blive slettet.
C.5	Indskrænk-ninger i omsætte-lighed	Der er ingen begrænsninger i retten til at eje Aktier i henhold til vedtægterne eller dansk ret. Der gælder overdragelses- og videresalgsbegrænsninger for Aktierne i visse jurisdiktioner. En erhverver af Aktier skal overholde alle gældende love og bestemmelser i de lande eller områder, hvor vedkommende erhverver eller videresælger Aktier eller er i besiddelse af eller distribuerer Noteringsprospektet og skal indhente ethvert samtykke og enhver godkendelse eller tilladelse, som måtte kræves for at erhverve Aktier. Dette Noteringsprospekt må ikke distribueres eller på anden måde gøres tilgængeligt, og Aktierne må ikke udbydes eller sælges, hverken direkte eller indirekte, i USA, Canada, Australien eller Japan. Dette Noteringsprospekt må ikke distribueres eller på anden måde gøres tilgængeligt, og Aktierne må ikke udbydes eller sælges, hverken direkte eller indirekte, i nogen anden jurisdiktion uden for Danmark, medmindre en sådan distribution, et sådant udbud, salg eller en sådan udnyttelse er tilladt i henhold til gældende ret i den pågældende jurisdiktion. Aktierne er ikke blevet godkendt, afvist eller anbefalet af udenlandske tilsynsmyndigheder, ligesom ingen sådan myndighed har afgivet erklæringer eller udtalelser om Noteringen (Listing), eller om hvorvidt Noteringsprospektet er korrekt eller fuldstændigt.
C.6	Optagelse til handel	Efter gennemførelse af Noteringen vil Noteringsaktierne blive optaget til handel og officiel notering i ISIN koden for Aktierne Før Restruktureringen, DK0060082915, den 10. december 2012. Noteringsaktierne vil ikke blive handlet og officielt noteret på NASDAQ OMX Copenhagen i den midlertidige ISIN kode.
C.7	Udbytte-politik	TORMs udbyttepolitik fastsætter, at indtil 50% af årets resultat kan udloddes i udbytte. Desuden skal TORMs kapitalforhold, strategiske udvikling, fremtidige forpligtelser, markedsudviklingen og aktionærinteresser altid tages i betragtning ved overvejelse af størrelsen af udbyttet. Selskabet har ikke udbetalt udbytte for regnskabsårene 2009, 2010 og 2011. Selskabet må i henhold til vilkårene i Finansieringsaftalerne ikke udbetale udbytte frem til 31. december 2016.

AFSNIT D – RISICI		
D.1	Risici forbundet med Selskabet eller branchen	Modtagere af dette Noteringsprospekt og eventuelle potentielle investorer i Aktierne bør være opmærksomme på, at en eventuel investering i Aktierne indebærer en høj risiko. Noteringsprospektet indeholder blandt andet en detaljeret vurdering af de særlige faktorer, der kan have negativ indflydelse på aktieværdien. De beskrevne risici er ikke de eneste risici, TORM står overfor. De bør tages som udtryk for de risikofaktorer, der af Ledelsen betragtes som særligt væsentlige og relevante for TORM pr. Prospektdatoen. Hvis en af nedenstående risici indtræffer, kan det få væsentlig negativ indvirkning på TORMs fremtidige udvikling, driftsresultat, pengestrømme og finansielle stilling, og det kan føre til konkurs- eller anden insolvensbehandling. Dette kan føre til et fald i Aktiernes kurs, og aktionæren risikerer at miste hele eller en del af investeringen i Aktierne. Andre risici, som Ledelsen på nuværende tidspunkt ikke har kendskab til eller i øjeblikket anser som uvæsentlige, kan imidlertid også få væsentlig negativ

		indvirkning på TORMs drift og udvikling. Noteringsprospektet indeholder desuden fremadrettede udsagn, der er forbundet med risici og usikkerhed. TORMs driftsresultat for 2012 kan afvige væsentligt fra det forventede driftsresultat for 2012, der er angivet i Noteringsprospektet, herunder, men ikke begrænset til, som følge af de risici, som TORM er udsat for, og som er beskrevet nedenfor. ***Risici forbundet med Selskabet*** *Risici forbundet med Restruktureringen, TORMs regnskabsresultater og økonomiske ressourcer* • Misligholdelse af finansielle covenants • Arbejdskapitalens tilstrækkelighed og manglende mulighed for at opnå yderligere finansiering fremover • Begrænset finansiel og driftsmæssig fleksibilitet efter Restruktureringen • Visse skibe er underlagt optionsrettigheder • Manglende evne til at betale renter og afdrag på Selskabets rentebærende gæld • Ændring af kontrol og tvungen tilbagebetaling • Mulig interessekonflikt mellem Selskabets forskellige aktionærer • Forbud mod betaling af udbytte • Forbud mod udstedelse af yderligere aktier eller andre værdipapirer • Investeringer i afledte finansielle instrumenter • Unøjagtige resultatforventninger • Yderligere nedskrivninger kan føre til negativ regnskabsmæssig værdi af egenkapitalen • Udsving i indgående pengestrømme • Sæsonudsving i driftsresultatet • Mulige nye regnskabsregler vedrørende leasingkontrakter *Risici forbundet med TORMs aktiviteter* • Udsving i omsætningen i forbindelse med ændringer i spotraterne • Afhængighed af nogle få store kunder • Regnskabsmæssige underskud i de senere år og manglende evne til at opnå positive pengestrømme • TORMs flådes alder og konkurrencedygtighed • Usikkerhed vedrørende TORMs fremtidige strategi • Usikkerhed vedrørende TORMs fremtidige regnskabspraksis samt regnskabsmæssige skøn og vurderinger • Forøgelse af TORMs omkostningsbase • Modparters manglende opfyldelse af forpligtelser • Utilstrækkelig forsikringsdækning og stigende præmier • It-nedbrud • Besvigelse og svigagtig adfærd • Mulig amerikansk forbundsstatsbeskatning af amerikansk indkomst *Risici forbundet med Selskabets branche* • Global økonomisk afmatning • Negativ indvirkning af ændringer i det økonomiske og politiske klima i Kina • Produkttank- og tørlastskibsmarkedernes konjunkturfølsomhed • Forsinket forbedring i chartermarkederne for produkttank- og tørlastskibe • Stigende brændstofpriser • Ændring i forbrugernes efterspørgsel fra olie til andre energikilder • Komplekse love og regler • Manglende opfyldelse af kundekrav • Manglende godkendelse ved klassifikationsselskabers inspektioner af skibe • Mulig skade på skibe på grund af de risici, der uløseligt er forbundet med søtransportbranchen • Mulige ændringer af tonnageskatteordninger • Øget hyppighed af piratangreb på oceangående skibe • Negative indvirkninger af havneanløb i lande, der er underlagt sanktioner og

		embargoer • Politisk ustabilitet, terror- og andre angreb, krigs- eller internationale fjendtligheder • Rekvisition fra en stats side af skibe i krig eller nødsituationer • Faldende likviditet i markedet for derivater *Risici forbundet med medarbejdere* • Evne til at tiltrække og fastholde kvalificerede medarbejdere • Involvering i arbejdsskadesager • Arbejdskonflikter resulterende i arbejdsstandsninger, strejker og/eller arbejdsafbrydelser *Risici forbundet med valuta- og renterisici* • Valutakursudsving • Renteudsving *Risici forbundet med retssager* • Involvering i fremtidige retssager • Arrest af TORMs skibe
D.3	Risici forbundet med Noteringen	Modtagere af dette Noteringsprospekt og eventuelle potentielle investorer i Aktierne bør være opmærksomme på, at en eventuel investering i Aktierne indebærer en høj risiko. Der henvises ligeledes til beskrivelsen under D.1 ovenfor • Muligt frasalg af Aktier fra de Sikrede Långiveres og Ejere af Indchartret Tonnages side • Begrænset antal Aktier i almindelig omsætning • Kursen på TORMs Aktier kan være meget volatil • Udstedelse af Aktier • Rettighederne gældende for indehavere af Aktier er underlagt dansk lovgivning og Selskabets vedtægter • Noteringen kan blive trukket tilbage under visse ekstraordinære og uforudsigelige omstændigheder • Aktionærer uden for Danmark er potentielt udsat for valutarisici • Potentiel afnotering af TORMs ADS fra NASDAQ Capital Market i USA

AFSNIT E – UDBUDDET		
E.1	Provenu fra Noteringen og skønnede omkost-ninger	Der er intet nettoprovenu, da der ikke er noget udbud af værdipapirer til salg eller tegning. Formålet med dette Noteringsprospekt er udelukkende at få Noteringsaktierne optaget til handel og officiel notering på NASDAQ OMX Copenhagen. Selskabets skønnede omkostninger i forbindelse med Noteringen udgør DKK 15,8 mio. eks. moms. Omkostningerne omfatter honorar til Global Coordinator & Joint Lead Manager og Joint Lead Managers, honorar til revisorer, juridiske og andre økonomiske rådgivere samt omkostninger i forbindelse med Noteringen.
E.2a	Baggrund for Noteringen	Selskabet udstedte den 5. november 2012 655,2 mio. Noteringsaktier til de Sikrede Långivere og Ejerne af Indchartret Tonnage. Baggrunden for dette Noteringsprospekt er udelukkende at få Noteringsaktierne optaget til handel og officiel notering på NASDAQ OMX Copenhagen.
E.3	Vilkår og betingelser for udbuddet	Ikke relevant, da der ikke foretages noget udbud af aktier.
E.4	Fysiske og juridiske personers interesse i Noteringen	Danske Bank, BNP PARIBAS, Nordea Markets – Investment Banking og SEB Enskilda eller nogle af disses associerede virksomheder kan i forbindelse med deres normale forretningsaktiviteter have ydet og kan i fremtiden yde investeringsrådgivning og foretage almindelige bankforretninger med TORM. Danske Bank, BNP PARIBAS, Nordea og SEB (eller disses rettighedserhververe) har tegnet i alt 232.260.906 stk. Noteringsaktier i forbindelse med Restruktureringsaftalen. Danske Bank, BNP PARIBAS, Nordea Markets – Investment Banking og SEB Enskilda og/eller nogle af disses associerede virksomheder kan desuden for egen regning eje, købe eller sælge disse værdipapirer samt andre af Selskabets værdipapirer og eventuelle relaterede investeringer og udbyde eller sælge sådanne værdipapirer eller andre investeringer i andre sammenhænge end i forbindelse med Noteringen. Danske Bank, BNP PARIBAS, Nordea og SEB har ydet lån til TORM. Selskabets uafhængige revisor, Deloitte Statsautoriseret Revisionspartner-selskab, yder rådgivning til Selskabet ud over lovpligtig revision.
E.5	Børsnote-rende enhed	TORM A/S er den børsnoterende enhed.
E.6	Udvanding	Ikke relevant, da Noteringen af Noteringsaktierne på NASDAQ OMX Copenhagen ikke medfører udvanding.
E.7	Omkost-ninger, der pålægges investo-rerne	Ikke relevant, da alle omkostninger forbundet med Noteringen dækkes af Selskabet.

SUMMARY

Summaries are made up of disclosure requirements known as 'Elements'. These elements are numbered in Sections A – E (A.1 – E.7).

This summary contains all the Elements required to be included in a summary for this type of securities and issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements.

Even though an Element may be required to be inserted in the summary because of the type of securities and issuer, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element is included in the summary with the mention of 'not applicable'.

SECTION A – INTRODUCTION AND WARNINGS		
A.1	Warnings	This Summary should be read as an introduction to the Listing Prospectus. Any decision to invest in the securities should be based on consideration of the Listing Prospectus as a whole by the investor. Where a claim relating to the information contained in the Listing Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the Member States, have to bear the costs of translating the Listing Prospectus before legal proceedings are initiated; and Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of the Listing Prospectus or it does not provide, when read together with the other parts of the Listing Prospectus, key information in order to aid investors when considering whether to invest in such securities.
A.2	Indication of subsequent resale of Shares	Not applicable since the Company has not received any indications from shareholders that they intend to sell their Shares.

SECTION B – ISSUER AND GUARANTOR		
B.1	Legal and commer-cial name	TORM A/S is the parent company of the Group. The Company also carries out business under the secondary names Aktieselskabet af 3. november 1986 (TORM A/S), BWT 3 A/S (TORM A/S) and Aktieselskabet Dampskibsselskabet TORM (TORM A/S).
B.2	The domicile and legal form	Company address: TORM A/S, Tuborg Havnevej 18, 2900 Hellerup, Denmark. The registered office of the Company is situated in the municipality of Gentofte. The Company is registered under Danish law and was incorporated as a limited liability company under the laws of Denmark before January 1, 1900.
B.3	Business	TORM is one of the world's largest carriers of refined oil products and also a participant in the drybulk market. As of the Listing Prospectus Date, the Company's fleet consists of 66 owned vessels, 2 vessels under financial lease and 21 chartered-in vessels on long term contracts. In addition, 19 product tankers are either in pool or under commercial management with TORM and 19 dry bulk

vessels are chartered-in on short term contracts.

During the financial crisis and the slowdown of the global economy, starting in late 2008, which resulted in continuously low freight rates and cyclical low vessel values, TORM's financial situation gradually deteriorated. As a consequence TORM initiated a dialogue with its creditors and achieved a temporary standstill agreement with its Secured Lenders in December 2011, which was extended several times afterwards. In April 2012, TORM announced that it had signed a conditional agreement in principle with its Secured Lenders and certain of its major Time Charter-in Counterparties regarding a long-term financing solution which formed the basis of the Restructuring.

With the completion of the Restructuring, TORM gained time for a potential market improvement and to potentially secure the future, long-term capital structure of the Company. However, TORM is currently heavily leveraged and if substantial market improvements do not occur TORM will most likely continue to be loss making which will erode TORM's equity. Further, the existing capital structure does not provide the necessary basis for the financing of TORM's operations and growth in the medium to long term, and additional financing, remission of debt or alternative actions will be required. The market value based on broker valuations of TORM's fleet excluding financial leases of USD 1,316 million as of September 30, 2012, is significantly below TORMs outstanding bank debt of USD 1,906 million as of the Restructuring. If the underlying market conditions do not improve there is a risk that the gap between the debt and the fleet market value will increase.

TORM's Financing Agreements entered into in connection with the Restructuring contain financial and operational covenants. If the difficult market conditions experienced during 2012 continue, TORM expects to be in breach under both the Super Senior Working Capital Facility and the loan facilities governed by the Framework Agreement at the time of testing of the financial covenants on June 30, 2013 and, under certain scenarios, before or after this date. In case a breach of covenants becomes apparent TORM plans to initiate renegotiations with the Secured Lenders to obtain the necessary waivers and amendments.

The Restructuring

The Restructuring Agreement was entered into between TORM and its Secured Lenders and certain of its major Time Charter-in Counterparties and facilitated the Restructuring through a complex of agreements. These agreements and the Restructuring Agreement aligned the terms of TORM's time charter and bareboat agreements with the Time Charter-in Counterparties to market rates as per March 2012 or allowed for termination of the time charter and bareboat agreements and thereby resulted in a significant reduction in off-balance sheet liabilities. Further, TORM and its Secured Lenders entered into a Framework Agreement which aligned the key terms of all of the Company's Pre-Restructuring Debt Facilities and a Super Senior Working Capital Facility with certain of the Secured Lenders which provided for a new revolving facility of USD 100 million to be used for working capital purposes.

The Restructuring contains the following key elements:

- New debt financing (working capital) from certain Secured Lenders
- Restructuring of the Pre-Restructuring Debt Facilities
- Restructuring of charter-in contracts

The new debt financing consists of a new Super Senior Working Capital Facility of USD 100 million which is available until and matures on September 30, 2014 with no fixed amortization, however, subject to a required cash sweep of 75% of any aggregate amount of cash (after payment of interest) above USD 50 million and 100% of any aggregate amount of cash (after payment of interest) above USD 100 million. USD 60 million of the Super Senior Working Capital Facility was drawn in

		connection with completion of the Restructuring to cover, inter alia, accrued interest under the Pre-Restructuring Debt Facilities and costs incurred in connection with the Restructuring. The Framework Agreement provides for a deferral of installments on the Pre-Restructuring Debt Facilities until September 30, 2014 subject to a cash sweep of 75% of any aggregate amount of cash (after payment of interest and only if the Super Senior Working Capital Facility has been fully repaid) above USD 50 million and 100% of any aggregate amount of cash (after payment of interest and only if the Super Senior Working Capital Facility has been fully repaid) above USD 100 million. The Company will be required to repay USD 50 million in the second half of 2014 and USD 100 million annually in the years 2015 and 2016. All of the Pre-Restructuring Debt Facilities will mature on December 31, 2016. Uniform covenants and default provisions apply across the bank debt facilities. The financial covenants include minimum liquidity levels, maximum loan to value ratios in respect of the senior debt tranche, maximum net leverage ratios and minimum interest coverage ratios. The operational covenants include prohibition to take on further financial indebtedness, prohibition on derivative transactions, restrictions on share issues, restrictions on disposals and acquisitions and restrictions on time charter. The Framework Agreement contains individual option rights for the lenders under three bank facilities to request the divestment of vessels being financed by such bank facilities. The options relate to bank facilities financing thirteen, five and four vessels respectively. Under the options, the Company will be required to propose a sales strategy to be agreed with the relevant lenders for the vessels comprised by the options. The lenders under each of the bank facilities have a right but not an obligation, until July 31, 2014 with certain possibilities of extension, to exercise their options relating to the vessels financed by the relevant facility. If an option is exercised but the relevant vessels are not sold by TORM pursuant to the sales strategy within a specific period, the relevant option holder will have an irrevocable and unfettered right but not an obligation to dispose of the relevant vessels. The lenders under the bank facility financing five vessels have excercised their option and thus initiated the process set out in the Framework Agreement in relation to these five vessels. The total outstanding debt relating to the bank facility financing five vessels was USD 121 million as of the Restructuring. The book value for the five vessels was USD 210 million as per September 30, 2012 and the market value based on broker valuations was USD 141 million as per September 30, 2012. The average age of the five vessels was two years as of the Restructuring. The total outstanding debt relating to the bank facilities financing thirteen vessels was USD 223 million as of the Restructuring and the total outstanding debt relating to the bank facilities financing four vessels was USD 107 million as of the Restructuring. The book value for the thirteen vessels was USD 284 million and the book value for the four vessels was USD 183 million as per September 30, 2012. The market value based on broker valuations was USD 218 million for the thirteen vessels and USD 116 million for the four vessels as per September 30, 2012. The average age of the thirteen vessels was 10 years and the average age of the four vessels was one year as of the Restructuring. To the extent that any vessels are sold under the options, TORM will seek to maintain the vessels' association with the Company. The Time Charter-in Counterparties accepted as part of the Restructuring that the then existing time charter-in and bareboat contracts were either changed and that rates were aligned to market rates as per March 2012 or allowed for termination of the contracts with redelivery of vessels. These amendments resulted in a significant reduction of the Company's future time charter and bareboat commitments. TORM

estimates that the changes in time charter and bareboat contracts corresponded to a total positive mark-to-market impact on TORM of approximately USD 270 million measured as the nominal difference between the originally contractually agreed rates and the reference market rate as per March 2012. TORM has as part of the Restructuring Agreement redelivered or undertaken to redeliver 22 vessels to the Time Charter-in Counterparties and has cancelled four agreements for charter of vessels under construction.

Pursuant to the terms of the Restructuring Agreement and related agreements, the Secured Lenders and Time Charter-in Counterparties received a consideration for the Super Senior Working Capital Facility, the changes to the Company's Pre-Restructuring Debt Facilities and the changes and certain releases and waivers in relation to the Time Charter-in Counterparty contracts consisting of a restructuring fee and agreed debt of approximately USD 200 million in aggregate which was converted into the Listing Shares upon completion of the Restructuring.

The Listing Shares were issued to the Secured Lenders and the Time Charter-in Counterparties in a Private Placement of 655.2 million Listing Shares on November 5, 2012 at a subscription price of DKK 1.79 resulting in a new shareholder structure of the Company where the Pre-Restructuring Shareholders retained 10% ownership of TORM, the Secured Lenders (or their assignees) obtained 72.8% ownership, and the Time Charter-in Counterparties (or their assignees) obtained 17.2% ownership. The distribution of the Listing Shares was separately agreed between the Secured Lenders and the Time Charter-in Counterparties and was part of the Restructuring Agreement.

Business areas

TORM's operations are divided in two divisions, the Tanker Division and the Bulk Division. The Tanker Division is responsible for the Company's tanker activities primarily engaged in the transportation of refined oil products such as gasoline, jet fuel, kerosene, naphtha, gas oil and fuel oil, but occasionally also carry crude oil. The Bulk Division is responsible for the Company's drybulk activities that transport dry products such as coal, iron ore, grain and minerals. The Tanker Division is the largest division accounting for approximately 70% of TCE earnings in 2011 and 80% of TCE earnings in the nine months ended September 30, 2012.

TORM has a fleet of 78 product tankers divided between 64 owned, 2 held under financial lease and 12 chartered-in on long-term contracts as of the Listing Prospectus Date. In addition, another 19 product tankers are either in pool or under commercial management with TORM.

TORM is active in the Handysize, MR, LR1 and LR2 segments of the Product tanker market. The Company has an extensive set-up with an organisation taking care of most functions within both commercial and technical management. Management believes, that TORM as one of the world's largest product tanker owners, enjoys significant scale advantages leading to earnings above the general benchmark routes with respect to vessels employed in the spot market.

The Company's drybulk fleet consists of two owned Panamax drybulk vessels and 9 chartered-in vessels on long-term contracts. In addition 19 dry bulk vessels are chartered-in on short term contracts.

Vessels owned[1] as of the Listing Prospectus Date

Vessels	No. of Vessels	Average Age	Average dwt	Aggregate dwt
Owned				
Product tankers				
LR2	9	8.4	105,052	945,464
LR1	7	7.4	74,021	518,150
MR	39	6.7	47,949	1,869,994
Handysize	11	9.0	36,620	402,824
Total Product Tankers	**66**	**7.4**	**56,613**	**3,736,432**
Drybulk				
Panamax	2	8.0	75,054	150,107
Handymax	-	-	-	-
Total Drybulk	**2**	**8.0**	**75,054**	**150,107**
Total	**68**	**7.4**	**57,160**	**3,886,867**

Note: (1) Including finance leases
Source: TORM

Vessels chartered in[1] as of the Listing Prospectus Date

Time chartered-in with contract periods of more than 12 months[3]	No. of Vessels	To be re-delivered[2]
Product tankers		
LR2	2	-
LR1	6	4
MR	4	-
Handysize	-	-
Total Product Tankers	**12**	**4**
Drybulk		
Panamax	8	-
Handymax	1	-
Total Drybulk	**9**	-
Time chartered-in with contract periods of less than 12 months[3]		
Product tankers		
LR2	-	-
LR1	-	-
MR	-	-
Handysize	-	-
Total Product Tankers	-	-
Drybulk		
Panamax	12	-
Handymax	7	-
Total Drybulk	**19**	**-**

Note: (1) Including vessels held under operating leases, (2) Redelivery as part of the Restructuring, (3) Duration at the date of conclusion of the charter contract
Source: TORM

Based on broker valuations, TORM's owned fleet excluding financial lease vessels had a market value of USD 1,316 million as of September 30, 2012.

TORM has one geographical segment, as the Company sees the global market as one market and vessels are not limited to specific geographical markets. Accordingly the Company has developed strong relationships with and services customers worldwide. In 2011 and the first nine months of 2012, the top ten customers accounted for 35% and 45% of the revenue, respectively.

TORM's coverage in the Tanker Division as of September 30, 2012 for 2012 is 15% and 6% for 2013. The low coverage is in accordance with TORM's strategy and

would allow the Company to benefit from a potential market recovery.

Covered and time chartered-in days in the Tanker Division as of September 30, 2012 (including the effects of the Restructuring)

	2012	2013	2014	2012	2013	2014
	Owned days					
LR2	799	2,824	2,904			
LR1	637	2,509	2,509			
MR	3,427	14,037	14,075			
Handysize	1,001	3,975	3,944			
Total	*5,864*	*23,344*	*23,432*			
	T/C in days at fixed rate			*T/C in costs, (USD/day)*		
LR2	-	-	-	-	-	-
LR1	785	75	-	17,914	11,000	-
MR	242	1,049	726	13,188	14,046	15,145
Handysize	-	-	-	-	-	-
Total	*1,027*	*1,124*	*726*	*16,800*	*13,843*	*15,145*
	T/C in days at floating rate					
LR2	182	726	725			
LR1	-	-	-			
MR	91	363	363			
Handysize	-	-	-			
Total	*273*	*1,089*	*1,088*			
	Total physical days			*Covered days*		
LR2	981	3,550	3,629	176	391	337
LR1	1,422	2,584	2,509	236	365	175
MR	3,760	15,449	15,164	634	743	-
Handysize	1,001	3,975	3,944	30	-	-
Total	*7,164*	*25,557*	*25,246*	*1,076*	*1,499*	*512*
	Covered %			Coverage rates (USD/day)		
LR2	18%	11%	9%	15,687	16,650	16,617
LR1	17%	14%	7%	14,228	15,666	15,666
MR	17%	5%	0%	13,759	13,932	-
Handysize	3%	0%	0%	5,378	-	-
Total	*15%*	*6%*	*2%*	*13,944*	*15,063*	*16,292*

Fair value of freight rate contracts that are mark-to-market in the income statement (USD million):
Contracts not included above: 0.0
Contracts included above: -0.1
Note: Actual number of days can vary from projected number of days primarily due to vessel sales and delays of vessel deliveries. T/C in days at fixed rate do not include effects from profit split arrangements. T/C in days at floating rate determine rates at entry of each quarter, and then TORM will receive approx. 10% profit/loss compared to this rate
Source: TORM

In the Bulk Division TORM has as a target of covering a major part of the owned and long-term chartered fleet owing to the Company's cautious view on the dry bulk markets. As of September 30, 2012, TORM's coverage in the Bulk Division for 2012 and 2013 is 103% and 57% respectively.

Covered and time chartered-in days in the Bulk Division as of September 30, 2012 (including the effects of the Restructuring)

	2012	2013	2014	2012	2013	2014
		Owned days				
Panamax	180	726	694			
Handymax	-	-	-			
Total	*180*	*726*	*694*			
	T/C in days at fixed rate			*T/C in costs, (USD/day)*		
Panamax	573	1,964	1,817	14,216	12,880	12,386
Handymax	339	-	-	12,509	-	-
Total	*912*	*1,964*	*1,817*	*13,518*	*12,880*	*12,386*
	T/C in days at floating rate					
Panamax	91	726	411			
Handymax	147	363	363			
Total	*238*	*1,089*	*774*			
	Total physical days			*Covered days*		
Panamax	844	3,416	2,922	1,007	990	25
Handymax	486	363	363	365	1,167	869
Total	*1,330*	*3,779*	*3,285*	*1,372*	*2,157*	*895*
	Covered %			Coverage rates (USD/day)		
Panamax	119%	29%	1%	11,387	15,380	20,436
Handymax	75%	321%	240%	8,781	13,978	16,725
Total	*103%*	*57%*	*27%*	*10,694*	*14,621*	*16,831*

Fair value of freight rate contracts that are mark-to-market in the income statement (USD m):
Contracts not included above: 0.0
Contracts included above: 6.6
Note: Actual number of days can vary from projected number of days primarily due to vessel sales and delays of vessel deliveries. T/C in days at fixed rate do not include effects from profit split arrangements. T/C in days at floating rate determine rates at entry of each quarter, and then TORM will receive approx. 10% profit/loss compared to this rate.
Source: TORM

The market

The shipping industry provides the most practical and cost effective means of transporting large volumes of cargo over international trade routes. The industry is comprised of a number of segments dependent on the cargo shipped. Segments include among others the tanker segment (carrying crude oil, refined oil products and chemical products) and the drybulk segment (carrying primarily iron ore, grain and coal). The tanker segment can further be divided into the crude tanker segment and product tanker segment. Each of these segments are cyclical in varying degree, experiencing fluctuations in freight rates and vessel values. Freight rates and vessel values are primarily the result of the supply of, and demand for, vessel capacity which fluctuates significantly mainly due to changes in the level and pattern of the global economic activity.

The supply of vessel capacity and the development of supply is measured by the amount of suitable vessel capacity available to carry cargo, and is determined by the size of the existing fleet in a particular shipping segment, the number of newbuildings on order, the scrapping of older vessels and the number of vessels out of active service (i.e. laid-up, drydocked, or otherwise not available for hire) or in port congestion. In addition to prevailing and anticipated freight rates, factors that affect the rate of newbuildings, scrapping and laying-up include newbuilding prices, steel prices, yard capacity, vessel operating costs, availability of financing and costs associated with compliance with environmental and other global regulatory requirements.

Demand for vessels is primarily determined by the quantity of cargo to be transported and the distance from origin to destination.

The supply and demand dynamics in the different segments within the shipping industry, while correlated, behave independently and are governed by different

		macroeconomic drivers. Vessels are designed to operate in a specific shipping segment, and do generally not compete with vessels operating in another segment.
B.4a	Trends	The world economy continues to be affected by the recession and is expected to grow at moderate rates in 2012. There is, however, great variance among regions as growth rates for the European countries and the U.S. are either negative or very moderate, which is outpaced by the growth rates for China and India. The shipping sector has been heavily influenced by this development as this – besides a generally lower demand for goods and services – has resulted in changes in the pattern of trade flows and fossil fuel consumption as more demand moves towards the growing Chinese economy. ***Tanker Division*** The global product tanker fleet has increased in recent years as the strong economic growth prior to 2008 led to significant investments in newbuildings. However, the economic slowdown combined with deteriorating freight rates have led to a significant decrease in orders. As a result, the year-on-year growth in the product tanker fleet is expected to decline in the coming years but currently there is a supply overhang of tonnage. The product tanker freight rates were in the third quarter of 2012 at seasonally low levels however they have increased through first part of fourth quarter of 2012. ***Bulk Division*** Recent years have seen an expansion in the global drybulk fleet as the economic growth prior to 2008 incentivized drybulk shippers to invest in fleet expansions. However, the economic slowdown caused freight rates to drop, which in turn caused a decrease in the number of newbuilding orders, and the net fleet growth is expected to decline in the coming years but currently there is a supply overhang of tonnage. The freight rates for all bulk segments suffered in the third quarter of 2012 and have continued at low levels through first part of fourth quarter of 2012.
B.5	Group structure	TORM A/S is the parent company of the Group. The Company's principal subsidiaries include subsidiaries with activities as at the Listing Prospectus Date. In addition to the principal subsidiaries and TORM's other subsidiaries, TORM holds a 50% interest in FR8 Holdings Pte. Ltd. (in liquidation), LR2 Management K/S and a 25% interest in TORM Shipping (Phils.), Inc, all of which are managed jointly with one or more other enterprises and are under joint control.
B.6	Major shareholders	The table below sets out the shareholders which as of the Listing Prospectus Date have notified the Company that they hold at least 5% of the Company's Shares or voting rights and such shareholders actual ownership interest/holding of votes. **Major shareholders in the Company as of the Listing Prospectus Date** **Shareholder** / **Nominal value of Shares in DKK** / **Number of Shares** / **Ownership interest and voting rights (%)** HSH Nordbank AG / 993,709.20 / 99,370,920 / 13.6% Danske Bank A/S / 835,668.18 / 83,566,818 / 11.5% Nordea Bank Danmark A/S / 821,110.87 / 82,111,087 / 11.3% Deutsche Bank AG / 453,745.41 / 45,374,541 / 6.2% DBS Bank Ltd. / 399,096.23 / 39,909,623 / 5.5% Alpha Trust[1] / 380,208.04 / 38,020,804 / 5.2% *Note: (1) Alpha Trust is a family trust settled in Cyprus under Cypriot law. The holding of Alpha Trust is based on their notice to the Company pursuant to the Danish Companies Act, section 55, and the Danish Securities Trading Act, section 29, dated September 23, 2011, and their notice in respect of announcement on proxy to the Chairman of the Board of Directrors of TORM A/S in relation to the annual general meeting on April 23, 2012, adjusted for dilution following the Restructuring* TORM has one class of shares, and each share carries one vote with no restrictions

		on voting rights or ownership. As of the completion of the Restructuring, more than 90% of the Shares and voting rights in the Company was held by a limited number of shareholders, including the Secured Lenders and the Time Charter-in Counterparties. As of the Listing Prospectus Date, the Secured Lenders and certain of the Time Charter-in Counterparties hold more than 33 1/3 % of the Company's Shares and voting rights. In connection with the Restructuring, the Secured Lenders and certain of the Time Charter-in Counterparties obtained an exemption from the mandatory Danish takeover rules from the Danish Financial Supervisory Authority. TORM will convene an extraordinary general meeting after publication of the Listing Prospectus with the purpose, inter alia, of amending the articles of association, including adopting certain minority protection rights pursuant to which the Company's issuance of shares against conversion of debt or issuance of shares without pre-emptive rights for existing shareholders require consent from shareholders representing 90% of the Company's share capital and voting rights. The extraordinary general meeting will furthermore be convened for the purpose of electing new members to the board of directors which may replace one or more of the the current shareholder elected board members and extend the election period for shareholder elected board members to two years. Pursuant to the Restructuring Agreement TORM's Secured Lenders and certain Time Charter-in Counterparties have agreed to vote in favour of the proposals.
B.7	Summary financial informati-on	The financial highlights for 2009, 2010 and 2011 in this section have been extracted from TORM's audited consolidated financial statements for the years ended December 31, 2009, 2010 and 2011. The financial statements have been prepared in accordance with IFRS as adopted by EU and additional Danish disclosure requirements for listed companies. The financial highlights for the nine months ended September 30, 2012 with comparative figures for the same period in 2011 have been extracted from TORM's interim consolidated financial statements for the nine months ended September 30, 2012 with comparative figures for the nine months ended September 30, 2011, prepared in accordance with IAS 34 as adopted by the EU. The interim consolidated financial statements have, for the purpose of this Listing Prospectus, been reviewed. The information below should be read in conjunction with TORM's consolidated financial statements for the years ended December 31, 2009, 2010 and 2011, which are included in this Listing Prospectus by reference. TORM operates in a global industry where, among others, freight rates and bunkers are denominated and settled in USD. As a consequence hereof, all TORM's financial reporting is in USD.

Financial highlights for TORM

	Year ended December 31			Q1-Q3	
	2009	2010	2011	2011	2012
Income statement				(Unaudited)	(Unaudited)
USD million					
Revenue	862	856	1,305	938	839
Time charter equivalent ("TCE") earnings	633	561	644	474	364
Gross profit	243	180	81	69	31
EBITDA	203	97	(44)	17	(41)
Operating profit/(loss) (EBIT)	50	(80)	(389)	(93)	(186)
Profit/(loss) before tax	(19)	(136)	(451)	(139)	(288)
Net profit/(loss) for the year	(17)	(135)	(453)	(140)	(289)
Net profit/(loss) for the year excl. impairment loss	3	(100)	(253)	(140)	(248)

	As at December 31			As at September 30	
	2009	2010	2011	2011	2012
Balance sheet				(Unaudited)	(Unaudited)
USD million					
Non-current assets	2,944	2,984	2,410	2,780	2,257
Total assets	3,227	3,286	2,779	3,119	2,507
Equity	1,247	1,115	644	958	358
Total liabilities	1,981	2,171	2,135	2,161	2,149
Invested capital	2,926	2,987	2,425	2,782	2,204
Net interest-bearing debt	1,683	1,875	1,787	1,836	1,858
Cash and cash equivalents	122	120	86	96	13

	Year ended December 31			Q1-Q3	
	2009	2010	2011	2011	2012
Cash flow				(Unaudited)	(Unaudited)
USD million					
From operating activities	116	(1)	(75)	(62)	(71)
From investing activities	(199)	(187)	168	104	3
thereof investment in property, plant and equipment	(289)	(254)	(118)	(107)	(57)
From financing activities	37	186	(128)	(66)	(6)
Total net cash flow	(46)	(2)	(34)	(24)	(73)

	Year ended December 31			Q1-Q3	
Key financial figures[1]	**2009**	**2010**	**2011**	**2011 (Unaudited)**	**2012 (Unaudited)**
Gross margins:					
TCE	73.4%	65.5%	49.4%	50.6%	43.4%
Gross profit	28.2%	21.0%	6.2%	7.4%	3.7%
EBITDA	23.5%	11.3%	-3.4%	1.8%	-4.9%
Operating profit/(loss) (EBIT)	5.8%	-9.3%	-29.8%	-9.9%	-22.2%
Return on Equity (RoE) (p.a.)	-1.3%	-11.4%	-51.5%	-17.9%	-75.9%
Return on Invested Capital (RoIC) (p.a.) [2]	1.7%	-2.7%	-14.4%	-4.3%	-10.5%
Equity ratio	38.6%	33.9%	23.2%	30.7%	14.3%
Exchange rate USD/DKK, end of period	5.19	5.61	5.75	5.51	5.77
Exchange rate USD/DKK, average	5.36	5.62	5.36	5.31	5.80

	Year ended December 31			Q1-Q3	
Share-related key figures[1]	**2009**	**2010**	**2011**	**2011 (Unaudited)**	**2012 (Unaudited)**
Earnings per share, EPS (USD)	(0.3)	(2.0)	(6.5)	(2.0)	(4.2)
Diluted earnings per share, EPS (USD)	(0.3)	(2.0)	(6.5)	(2.0)	(4.2)
Cash flow per share, CFPS (USD)	1.7	0.0	(1.1)	(0.9)	(1.0)
Proposed dividend per share (USD)	0.00	0.00	0.00	0.00	0.00
Proposed dividend per share (DKK)	0.00	0.00	0.00	0.00	0.00
Extraordinary dividend per share (DKK)	0.00	0.00	0.00	0.00	0.00
Share price in DKK, end of period (per share of DKK 5 each)	50.7	39.7	3.7	7.3	2.8
Number of shares, end of period (million)	72.8	72.8	72.8	72.8	72.8
Number of shares (excl. treasury shares), average (million)	69.2	69.3	69.6	69.5	69.6

Notes:
(1) Key figures are calculated in accordance with the recommendations of the Danish Society of Financial Analysts
(2) Return on Invested Capital is defined as: Operating profit/(loss) divided by average invested capital, defined as average of beginning and ending balances of (equity plus net interest-bearing debt less non-operating assets)

		TCE earnings for the nine months ended September 30, 2012 were USD 364 million compared to USD 474 million for the nine months ended September 30, 2011. This decrease in TCE earnings of USD 110 million was due to a decrease in the number of available earning days and TCE earnings per earning day compared to the nine months ended September 30, 2011. Operating profit/(loss) (EBIT) amounted to a loss of USD 186 million for the nine months ended September 30, 2012 compared to a loss of USD 93 million for the nine months ended September 30, 2011. The decrease in EBIT was due to declining freight rates, impairment losses in relation to the 50% ownership of FR8 and loss from the sale of vessels. TCE earnings for 2011 were USD 644 million compared to USD 561 million for 2010 and USD 633 for 2009. The increase in TCE earnings from 2010 to 2011 was primarily due to a significant increase in the number of available earning days of 30%, particularly in the Bulk Division. This increase was partly offset by significantly lower freight rates in both the Tanker Division, particularly in the

		Handysize, LR1 and LR2 business areas, and the Bulk Panamax business area. Operating loss (EBIT) was USD 389 million for 2011 compared to an operating loss of USD 80 million for 2010 and an operating profit of USD 50 million for 2009. The higher loss generated in 2011 compared to 2010 was primarily due to a net loss of USD 53 million from the sale of vessels and impairment losses of USD 200 million relating to the Tanker Division and FR8 as compared to a net profit from the sale of vessels of USD 2 million and impairment losses of USD 35 million relating to FR8 in 2010. Significantly lower freight rates also contributed negatively to TORM's operations. Apart from the signing of the Restructuring Agreement on October 2, 2012 and the completion of the Restructuring on November 5, 2012, Management is not aware of significant events having occurred after the balance sheet date in the interim report for the nine months ended September 30, 2012 that will affect the Company's assets, liabilities or financial position.
B.8	Proforma financial information	Not applicable as no proforma accounting numbers are presented in the prospectus.
B.9	Prospective financial information for 2012	Management expects a loss before tax of around USD 500–530 million for 2012 including the accounting effects of the Restructuring and excluding further vessel sales and potential impairment charges. The full-year expectations for 2012 are subject to uncertainty due to the instability of the global economy, the volatility in the freight rates and TORM's open earning days in the product tanker segment/ability to cover its open earning days at the assumed rates.
B.10	Qualifications in the audit reports	Not applicable since there are no qualifications in the audit reports.
B.11	Working capital	There can be given no certainty that the Group's working capital is sufficient to cover its present requirements for the period until 12 months after the Listing Prospectus Date. TORM's Financing Agreements contain strict financial covenants and there is uncertainty relating to TORM's business in the period following the Restructuring. If the difficult market conditions experienced during 2012 continue to prevail, TORM expects to be in breach under both the Super Senior Working Capital Facility and the facilities governed by the Framework Agreement at the time of testing of the financial covenants on June 30, 2013 and, under certain scenarios, before or after this date. In case of a breach, the Secured Lenders may require that both the Super Senior Working Capital Facility and the facilities governed by the Framework Agreement fall due for repayment, and TORM cannot expect to have or be able to obtain sufficient financing to cover such repayment. In such case, TORM does not have sufficient working capital for its present requirements for the period until 12 months after the Listing Prospectus Date. In the current situation, TORM is not seeking additional financing, and TORM does not consider it likely that TORM can arrange for additional financing to cover repayment obligations in the event of a breach of covenants. Instead, in the event a breach of covenants becomes apparent, TORM plans to initiate renegotiations of the covenants with the Secured Lenders. Such renegotiations, if initiated, may be lengthy and there can be no certainty that they will be successful. Ultimately, if TORM is unable to reach new agreements with the Secured Lenders and other creditors, TORM could be forced to enter into insolvency proceedings. During the next 12 months the financial covenants in the Financing Agreements will be tested as follows: • Liquidity requirements: Cash plus available part of the USD 100 million working capital facility must exceed USD 50 million at all times from

		December 31, 2012. This will later adjust to a cash requirement of USD 30 million from September 30, 2014 and USD 40 million from March 31, 2015. As of November 5, 2012 the Company had liquidity of USD 65 million, consisting of USD 25 million cash and USD 40 million undrawn Super Senior Working Capital Facility. • Loan to value ratio: The outstanding debt under the senior debt tranche as a percentage of the Company's fleet value (excl. financial lease vessels) shall be equal to or below 85% at all times during the period from June 30, 2013 and until 12 months after the Listing Prospectus Date. Based on the fleet value of USD 1,316 million as at September 30, 2012 and the outstanding debt under the senior debt tranche as of November 5, 2012 of USD 1,020 million the loan to value ratio is 78%. From June 30, 2013 the fleet value must be at least USD 1,200 million, i.e. the fleet value must not decline more than 9%, to be in compliance with this covenant (assuming that the senior debt tranche is unchanged). The value of the fleet as of September 30, 2012 declined 28% during the period September 30, 2011 to September 30, 2012. • Consolidated net debt to EBITDA: Initial required ratio of maximum 30:1 to be tested June 30, 2013 and September 30, 2013 during the 12 months following the Listing Prospectus Date. Based on net debt as defined for covenant purposes equal to USD 1,896 million at November 5, 2012, EBITDA as defined for covenant purposes for the period June 30, 2012 to June 30, 2013 must be minimum USD 63 million to be in compliance with this covenant on June 30, 2012 (assuming that the net debt is unchanged). The EBITDA as defined for covenant purposes for Q3 2012 was USD 1 million and consequently the EBITDA for covenant purposes for the period October 1, 2012 to June 30, 2013 must exceed USD 62 million in order not to breach the covenant. If the difficult market conditions experienced during 2012 continue to prevail for a longer period TORM does not expect to reach this EBITDA level. • Interest cover ratio: Not to be tested during the 12 months following the Listing Prospectus Date.

SECTION C – SECURITIES		
C.1	Listing Shares	The Company's Pre-Restructuring Shares are listed on NASDAQ OMX Copenhagen under ISIN code DK0060082915. The Listing Shares issued are currently issued under the temporary ISIN code DK0060443877, which is not traded and officially listed on NASDAQ OMX Copenhagen. The Company has one share class and no Shares confer any special rights upon its holder.
C.2	Currency of the Listing Shares	The Listing Shares are denominated in DKK.
C.3	Description of the Company's share capital	As of the Listing Prospectus Date, the Company's registered share capital is DKK 7,280,000 nominal value divided into 728 million Shares with a nominal value of DKK 0.01 each. The share capital has been fully paid up.
C.4	Rights attached to the Shares	All Shares rank pari passu, and the articles of association do not include provisions allowing for any redemption or exchange of the Shares other than authorisations to issue convertible debt instruments and preference shares. As a consequence of completion of the Restructuring it is expected to be proposed in connection with the extraordinary general meeting that will be convened after publication of this Listing Prospectus, that the authorisations granted to the Board of Directors to increase the share capital will be cancelled.
C.5	Restrictions to the negotiability of the Shares	There are no limitations on the right to hold Shares under the articles of association or Danish law. The Shares are subject to transfer and reselling restrictions in certain jurisdictions. Any acquirer of Shares must comply with all applicable laws and regulations in force in any country or region in which it acquires or resells Shares or possesses or distributes this Listing Prospectus and must obtain any consent, approval or permission required for acquiring Shares. This Listing Prospectus may not be distributed or otherwise made available, and Shares may not be offered or sold, directly or indirectly, in the U.S., Canada, Australia or Japan. This Listing Prospectus may not be distributed or otherwise made available, and the Shares may not be offered or sold, directly or indirectly, in any other jurisdiction outside Denmark, unless such distribution, offer, sale or exercise is permitted under applicable laws in the relevant jurisdiction. The Shares have not been approved, disapproved or recommended by any foreign regulatory authorities, nor have any of such authorities passed upon or endorsed the merits of the Listing or the accuracy or adequacy of this Listing Prospectus.
C.6	Admission to trading	Upon completion of the Listing, the Listing Shares will be admitted to trading and official listing under the ISIN code of the Pre-Restructuring Shares, DK0060082915, on December 10, 2012. The Listing Shares will not be traded and officially listed on NASDAQ OMX Copenhagen under the temporary ISIN code.
C.7	Dividend policy	TORM's dividend policy states that up to 50% of the net profit for the year may be distributed as dividend. Furthermore, the dividend must always be considered in light of TORM's capitalisation, strategic developments, future obligations, market trends and shareholder interest.

		The Company has not paid dividends for the financial years 2009, 2010 and 2011. The Company is prohibited until December 31, 2016 from distributing dividends under the terms of the Financing Agreements.

SECTION D – RISK		
D.1	Risk related to the Company or its industry	Recipients of this Listing Prospectus and any potential investors in Shares should be aware that any investment in the Shares involves a high degree of risk. The Listing Prospectus includes a detailed assessment of the specific factors that might influence the share value negatively. These risks are not the only ones TORM faces. They should be taken as an expression of the risk factors, which Management believes are particularly important and relevant for TORM at the Listing Prospectus Date. Should any of the following risks occur, it could have a material adverse effect on TORM's future performance, results of operations, cash flows and financial position, and could lead to bankruptcy or other insolvency proceedings. This may cause a fall in the price of the Shares and the shareholder may loose all or part of the investment in the Shares. However, other risks not presently known to Management or that Management currently deems immaterial may also have a material adverse effect on TORM's business operations and development. This Listing Prospectus also contains forward-looking statements that involve risk and uncertainty. TORM's operating profit for 2012 could differ materially from the operating profit forecast for 2012 included herein, including, but not limited to, as a result of the risks TORM faces as described below. ***Risk related to the Company*** *Risks related to the Restructuring, TORM's financial results and financial resources* • Breach of financial covenants • Sufficiency of working capital and inability to obtain additional funding in the future • Restricted financial and operational flexibility following the Restructuring • Certain vessels are subject to option rights • Inability to service the Company's interest-bearing debt • Change of control and mandatory repayment • Potential conflict of interest between the Company's various shareholders • Prohibition of paying dividends • Prohibition of issue of additional shares or other securities • Investments in derivative instruments • Inaccuracy of profit guidance • Further impairment losses may lead to negative book equity value • Variations in incoming cash flows • Seasonal fluctuations in operating results • Potential new accounting rules with respect to leases *Risks related to TORM's activities* • Fluctuations of revenue with changes in spot freight rates • Dependence upon a few significant customers • Recent history of losses and inability to achieve positive cash flows • Age and competitiveness of TORM's fleet • Uncertainty regarding TORM's strategy going forward • Uncertainty regarding TORM's accounting policies, estimates and judgements going forward • Increase in TORM's cost base • Counterparties failing to honor their obligations • Inadequate insurance policies coverage and increasing premiums

		• IT break downs • Fraud and fraudulent behavior • Potential U.S. Federal Income Tax on U.S. source income *Risk related to the Company's industry* • Global economic downturn • Adverse effect of changes in the economic and political environment in China • Cyclicality of the product tanker and drybulk vessel markets • Delayed recovery in the product tanker and drybulk vessel charter markets • Rising fuel prices • Shift in consumer demand from oil towards other energy sources • Complex laws and regulations • Failure to comply with customer requirements • Failure to pass vessel inspections by classification societies • Potential damage to vessels due to the inherent operational risks of the seaborne transportation industry • Possible amendments to tonnage tax schemes • Increase in frequency of acts of piracy on ocean-going vessels • Adverse effects from call of ports located in countries that are subject to sanctions and embargoes • Political instability, terrorist or other attacks, war or international hostilities • Governments' requisitioning of vessels during a period of war or emergency • Decreasing liquidity in the derivative market *Risks related to employees* • Ability to attract and retain qualified employees • Involvement in industrial injury cases • Industrial disputes resulting in work stoppages, strikes and/or work disruptions *Risks related to currency and interest rate risks* • Exchange rate fluctuations • Interest rate fluctuations *Risks related to litigation* • Involvement in future legal proceedings • Arrest of TORM's vessels
D.3	Risks related to the Listing	Recipients of this Listing Prospectus and any potential investors in Shares should be aware that any investment in the Shares involves a high degree of risk. Reference is also made to the description above under D.1 • Potential sell-down of Shares by the Secured Lenders and Time Charter-in Counterparties • Limited free float in the Shares • The market price of TORM's Shares may be highly volatile • Issuance of Shares • Rights of holders of Shares governed by Danish law and by the Company's articles of association • The Listing may be withdrawn in certain exceptional and unpredictable circumstances • Shareholders outside Denmark are potentially subject to exchange rate risk • Potential delisting of TORM's ADSs from the NASDAQ Capital Market in the U.S.

SECTION E – OFFER		
E.1	Proceeds from the Listing and estimated expenses	There are no net proceeds since there is no offering of securities for sale or subscription. The purpose of this Listing Prospectus is solely to have the Listing Shares admitted to trading and official listing on NASDAQ OMX Copenhagen. The estimated expenses payable by the Company in connection with the Listing are DKK 15.8 million ex. VAT. Expenses include fees to the Global Coordinator & Joint Lead Manager and the Joint Lead Managers, fees to auditors, legal and other financial advisors as well as other expenses connected to the Listing.
E.2a	Background for the Listing	On November 5, 2012 the Company issued 655.2 million Listing Shares to the Secured Lenders and the Time Charter-in Counterparties. The background for this Listing Prospectus is to have the Listing Shares admitted to trading and official listing on NASDAQ OMX Copenhagen.
E.3	Terms and conditions of the offer	Not applicable since there is no offering of shares.
E.4	Interests of natural and legal persons in the Listing	In connection with their usual business activities, Danske Bank, BNP PARIBAS, Nordea Markets – Investment Banking and SEB Enskilda or some of their associates may have provided and may in future provide investment advisory services and carry on ordinary banking business with TORM. Danske Bank, BNP PARIBAS, Nordea and SEB (or their assignees) subscribed for a total of 232,260,906 Listing Shares in connection with the Restructuring Agreement. In addition, Danske Bank, BNP PARIBAS, Nordea Markets – Investment Banking and SEB Enskilda and/or some of their associates may for their own account hold, buy or sell such securities and any other of the Company's securities and any investments related thereto, and they may offer or sell such securities or other investments in contexts other than in connection with the Listing. Danske Bank, BNP PARIBAS, Nordea and SEB have granted loans to TORM. The Company's independent auditors Deloitte Statsautoriseret Revisionspartner-selskab provide consulting services to the Company in addition to statutory auditing.
E.5	Listing entity	TORM A/S is the listing entity.
E.6	Dilution	Not applicable since the Listing of the Listing Shares on NASDAQ OMX Copenhagen will not result in any dilution.
E.7	Expenses charged to the investors	Not applicable since all expenses connected to the Listing are covered by the Company.

RISK FACTORS

Investing in TORM involves a high degree of risk. You should consider carefully the following risk factors, which Management considers material, in conjunction with other information contained in this Listing Prospectus.

These risks are not the only ones TORM faces. They should be taken as an expression of the risk factors, which Management believes are particularly important and relevant for TORM at the Listing Prospectus Date. Should any of the following risks occur, it could have a material adverse effect on TORM's future performance, results of operations, cash flows and financial position, and could lead to bankruptcy or other insolvency proceedings. This may cause a fall in the price of the Shares and the shareholder may loose all or part of the investment in the Shares. However, other risks not presently known to Management or that Management currently deems immaterial may also have a material adverse effect on TORM's business operations and development.

This Listing Prospectus also contains forward-looking statements that involve risk and uncertainty. TORM's operating profit for 2012 could differ materially from the operating profit forecast for 2012 included herein, including, but not limited to, as a result of the risks TORM faces as described below and elsewhere in this Listing Prospectus.

The risk factors set out below are not listed in any order of priority with regard to significance or likelihood of occurrence. It is not possible to quantify the significance to TORM of each individual risk factor as each of the risk factors mentioned below may materialize to a greater or lesser degree and may have a material adverse effect on TORM's future performance, results of operations, cash flows and financial position, and could lead to bankruptcy or other insolvency proceedings.

Risks related to the Restructuring, TORM's financial results and financial resources

Breach of financial covenants
In connection with the completion of the Restructuring TORM entered into the Financing Agreements which includes restrictions on TORM's financial flexibility. See description of the Restructuring Agreement under "Part I – 6.1.2 The Restructuring", the Financing Agreements under "Part I – 22.1 Financing Agreements" and TORM's working capital under "Part II – 3.1 Working capital".

Under the Financing Agreements, TORM will need to comply with financial covenants and other terms, including:

- Minimum liquidity levels
- Maximum loan to value ratios
- Maximum net leverage ratios
- Minimum interest coverage ratios

If the difficult market conditions experienced during 2012 continue, TORM expects to be in breach under both the Super Senior Working Capital Facility and the loan facilities governed by the Framework Agreement at the time of testing of the financial covenants on June 30, 2013 and, under certain scenarios, before or after this date. In such scenarios resulting in breach of covenants, TORM does not have sufficient working capital for its present requirements for the period until 12 months after the Listing Prospectus Date. In case a breach of covenants becomes apparent TORM plans to initiate renegotiations with the Secured Lenders to obtain the necessary waivers and amendments. Such renegotiations, if initiated, may be lengthy and there is no certainty that TORM will obtain the necessary waivers and amendments. Ultimately, if TORM is unable to reach new agreements with the Secured Lenders and other creditors, TORM could be forced to enter into bankruptcy or other insolvency proceedings. Reference is made to the emphasis of matter statement by the auditors in their review report on the interim consolidated financial statements for the first nine months of 2012 with comparative figures for the same period of the financial year 2011.

Failure to comply with the financial covenants under the Financing Agreements may lead to acceleration of debt, and TORM's creditors may decide to exercise their rights in charged assets. If TORM is unable to honor such accelerated payment obligations, it could have a material adverse effect

on TORM's future performance, results of operations, cash flows and financial position, and could lead to bankruptcy or other insolvency proceedings.

Sufficiency of working capital and inability to obtain additional funding in the future
In connection with completion of the Restructuring, TORM has obtained a Super Senior Working Capital Facility of USD 100 million. USD 60 million of the Super Senior Working Capital Facility was drawn in connection with completion of the Restructuring to cover, inter alia, accrued interest under the Pre-Restructuring Debt Facilities and costs incurred in connection with the Restructuring.

The Super Senior Working Capital Facility matures on September 30, 2014. If the difficult market conditions continue to prevail, the undrawn USD 40 million of the Super Senior Working Capital Facility may not be enough to secure TORM's ongoing operations and working capital needs, and, pursuant to the terms of TORM's Financing Agreements, TORM is prohibited from taking on further indebtness and issuing new capital. In addition, there can be no assurance that TORM will be able to attract the capital required to secure TORM's ongoing operations after the Super Senior Working Capital Facility expires or that such capital can be raised on terms acceptable to TORM, in respect of financial covenants, pricing, maturities etc. See "Part II – 3.1 Working capital".

Furthermore, TORM recognizes that its financial position impacts its risk profile vis-à-vis third parties, including its ability to obtain or renew credit lines from suppliers and its relationships with customers and other stakeholders. The Company may risk that its financial position will be under additional pressure due to potential cuts in credit lines increasing its working capital requirements resulting in higher financial needs. This is particularly important with bunker credit lines.

There can be no assurance that TORM will be able to maintain or obtain required loan financing or meet the additional working capital needs. Failure to do so could have a material adverse effect on TORM's business, results of operations, cash flows and financial position, and could lead to bankruptcy or other insolvency proceedings.

Restricted financial and operational flexibility following the Restructuring
In connection with the completion of the Restructuring TORM entered into the Financing Agreements which includes restrictions on TORM's financial and operational flexibility. Under the Financing Agreements, TORM will need to comply with certain terms restricting its financial and operational flexibility, including:

- Prohibition to incur further indebtedness and issue new capital
- Prohibition on entering into new derivative transactions other than spot exchange contracts in the ordinary course of business
- Prohibition on providing further security
- Restrictions on disposals of any vessels and other material assets and on acquisitions of any company, securities or vessels
- Restrictions on time charter. TORM can only charter-in vessels from third parties for a period no longer than three months and charter-out its vessels for a period of up to 13 months

Such restrictions may make it necessary for TORM to perform transactions, which are not commercially or financially attractive, or to refrain from performing transactions which are commercially or financially attractive. These restrictions may limit TORM's ability to apply its cash and cash equivalents in discharge of its obligations. Furthermore, the restrictions may reduce TORM's competitiveness and TORM's ability to optimize its fleet and financial structure. Specifically, the prohibition of derivative transactions can expose TORM to negative variations on interest rates, foreign exchange and freight rates.

Failure to comply with the financial and operational restrictions under the Financing Agreements may lead to acceleration of debt, and TORM's creditors may decide to exercise their rights in charged assets. As such, the restrictions on TORM's financial and operational flexibility could have a material adverse effect on TORM's future performance, results of operations, cash flows, and financial position and could lead to bankruptcy or other insolvency proceedings.

Certain vessels are subject to option rights
The Framework Agreement between TORM and its Secured Lenders contains individual option rights for the lenders under three bank facilities having financed thirteen, five and four vessels respectively out

of TORM's total 66 owned vessels. The options give the lenders under each of the relevant bank facilities a right to require a sale of the vessels being financed by the relevant facilities. See description of the option rights under "Part I – 6.1.2 The Restructuring" and "Part I – 22. Material contracts".

Under the options, the Company will be required to propose a sales strategy for the vessels comprised by the options. The lenders under each of the bank facilities have a right, until July 31, 2014 with certain possibilities of extension, to exercise their option which may lead to disposal of the vessels financed by the relevant facility. The lenders under the bank facility financing the five vessels have exercised their option and thus initiated the sales process set out in the Framework Agreement.

The total outstanding debt relating to the bank facility financing five vessels was USD 121 million as of the Restructuring. The book value for the five vessels was USD 210 million as per September 30, 2012 and the market value based on broker valuations was USD 141 million as per September 30, 2012. The average age of the five vessels was two years as of the Restructuring.

The total outstanding debt relating to the bank facilities financing thirteen vessels was USD 223 million as of the Restructuring and the total outstanding debt relating to the bank facilities financing four vessels was USD 107 million as of the Restructuring. The book value for the thirteen vessels was USD 284 million and the book value for the four vessels was USD 183 million as per September 30, 2012. The market value based on broker valuations was USD 218 million for the thirteen vessels and USD 116 million for the four vessels as per September 30, 2012. The average age of the thirteen vessels was 10 years and the average age of the four vessels was one year as of the Restructuring.

Should any sale of vessels be effected as a result of the exercise of the options the earning capability of the Company may be materially negatively affected.

In addition, any sale of vessels under the options may have an effect on TORM's business and financial results, including TORM's liquidity, outstanding debt, fleet value, consolidated net debt, accrued interest and EBITDA and will as such impact on TORM's ability to comply with the financial covenants under TORM's Financing Agreements. See "Part I – Risk Factors - Risk of breaching covenants", "Part I – 22.1 Financing Agreements" and "Part II – 3.1 Working capital". See "Part I – 22. Material Contracts" regarding the treatment of outstanding debt under the relevant facility relating to the vessels sold.

Sale of vessels as a result of exercise of the options may also result in an increase of the average age of TORM's fleet, reduce TORM's competitive scale advantage, further restrict its operational flexibility, expose TORM further to negative development in vessel values, and could have a material adverse effect on TORM's future performance, results of operations, cash flows and financial position and could lead to bankruptcy or other insolvency proceedings.

Inability to service the Company's interest-bearing debt

TORM must dedicate a large part of its cash flows to pay principal and interest on its interest-bearing debt. These payments limit funds available for working capital, capital expenditures and other purposes. TORM's existing bank debt level of USD 1,906 million as of the Restructuring compared to an estimated market value (based on broker valuations) of USD 1,316 million of TORM's fleet excluding financial leased vessels as of September 30, 2012 makes TORM vulnerable to economic slowdowns and adverse developments in its business.

The Super Senior Working Capital Facility of USD 100 million matures on September 30, 2014. If TORMs earnings do not improve over the period TORM may not be able to repay the principal upon maturity.

In addition, under the Financing Agreements, the Company is subject to a cash sweep clause of certain aggregate amounts of cash above USD 50 million. Annualized debt repayments of USD 100 million fall due from September 30, 2014 until December 31, 2016. TORM may not be able to service and repay its interest-bearing debt as it falls due and matures, including at the time of expiration of the periods with deferral of installments and fixed annualized debt repayments.

If TORM is not able to service and repay its debt, it could lead to an acceleration of debt, the foreclosure of all or a portion of its fleet, and could have a material adverse effect on TORM's future performance, results of operations, cash flows, and financial position, and could lead to bankruptcy or other insolvency proceedings.

Change of control and mandatory repayment
The terms of the Financing Agreements provide for a mandatory prepayment of the entire outstanding amount under the Financing Agreements upon any person or group of persons acting in concert gaining direct or indirect control of the Company (higher than 25% of shares or voting rights). Transfers of Shares among the Secured Lenders and Time Charter-in Counterparties may trigger a mandatory prepayment event under the Financing Agreements. Any mandatory prepayment as a result of a change of control, could lead to the foreclosure of all or a portion of TORM's fleet and could have a material adverse effect on TORM's future performance, result of operations, cash flows and financial position, and could lead to bankruptcy or other insolvency proceedings.

Potential conflict of interest between the Company's various shareholders
As of completion of the Restructuring, more than 90% of the Shares was held by a limited number of shareholders, including but not limited to the Secured Lenders and Time Charter-in Counterparties. The interests of these shareholders may conflict with the interests of the Company's other shareholders. In addition, conflict of interests may exist or occur between the major shareholders themselves.

A limited number of shareholders may have the ability either acting alone or if they should decide to vote together as a group to influence or determine the outcome of specific matters submitted to the Company's shareholders for approval, including the election and removal of directors, amendments to the Company's articles of association, including changes to the Company's share capital or any merger or acquisition.

TORM will call an extraordinary general meeting after the publication of this Listing Prospectus in order to pass certain resolutions. See also "Part I – 21.7 Extraordinary general meeting".

Prohibition of paying dividends
Following the completion of the Restructuring, TORM must dedicate a large part of its cash flows to reimburse the interest-bearing debt under the Financing Agreements. In addition, the Financing Agreements prohibits TORM from using future earnings to pay dividends to its shareholders. After the restructured credit facilities are reimbursed, TORM may decide to review its dividend policy, however its ability to pay dividends in the future may be limited.

Prohibition of issue of additional shares or other securities
Under the Financing Agreements, TORM is prohibited from issuing additional shares or other securities. This restriction limits TORM's ability to raise funds on the equity capital markets. In addition, TORM will convene an extraordinary general meeting after the publication of this Listing Prospectus with the purpose, inter alia, of amending the articles of association, including adopting certain minority protection rights pursuant to which the Company's issuance of shares against conversion of debt or issuance of shares without pre-emptive rights for existing shareholders require consent from shareholders representing 90% of the Company's share capital and voting rights. If adopted, these majority requirements may limit TORM's ability to raise funds on the equity capital markets. See "Part I – 21.7 Extraordinary general meeting". The above restrictions could have a material adverse effect on TORM's future performance, results of operations, cash flows and financial position.

Investments in derivative instruments
All TORM's interest rate and currency swap transactions were closed-out as part of the Restructuring. Existing bunker hedging and Forward Freight Agreements ("FFAs") will remain in place, but TORM will not be able to enter into new derivative transactions.

As a result TORM's entire debt is now uncovered in relation to interest and currency risks, and TORM will not be able to enter into new derivative transactions to hedge its other exposures e.g. in relation to bunkers. Any changes in interest rates, currency rates, bunker prices and other prices to which TORM is exposed could therefore have a material adverse effect on TORM's future performance, results of operations, cash flows and financial position.

Under the Financing Agreements, TORM is required to limit its derivative trading to spot exchange contracts in the ordinary course of business. There will be a risk of loss resulting from the spot hedging TORM engages in and existing bunker hedging and FFAs going forward. TORM may in the future obtain consent to invest in other derivative instruments (e.g. currency or interest rate hedging) and may on that basis decide to recommence its hedging activities in such derivatives and could suffer losses from such positions which could have a material adverse effect on TORM's future performance, results of

operations, cash flows and financial position.

Inaccuracy of profit guidance
TORM can provide no assurance that the assumptions on which the forecast is based will materialize, and unexpected events may have a negative impact on future actual results, regardless of whether the assumptions relating to future periods proves to be correct. There can be no assurance that the long-term financial goals will be achieved. Accordingly, actual future results may differ substantially from expectations, in which case it could have a material adverse effect on TORM's future performance, results of operations, cash flows and financial position.

Further impairment losses may lead to negative book equity value
TORM reviews the carrying amounts of assets on a quarterly basis to determine any indication of impairment either due to a significant decline in market value or in the cash flows generated by the vessels. In case of such indication, the recoverable amounts of the assets are estimated at the higher of the net realizable value and the value in use in accordance with the requirements of the IAS accounting standards. The value in use is the present value of the future cash flows expected to derive from an asset. For the purpose of assessing net realizable values, Management estimates the market values of the individual vessels, for which the most important parameters are the vessels' tons deadweight, the shipyard they were built at and age. Management uses internal as well as external sources of information, including three internationally recognized shipbrokers' valuations.

Based on broker valuations, TORM's fleet excluding financial lease vessels had a market value of USD 1,316 million as of September 30, 2012. This is USD 851 million less than the book value as of September 30, 2012. The book value of TORMs equity was USD 358 million as of September 30, 2012.

In accordance with the requirements of the IAS accounting standards TORM estimates the fleet's total long-term earning potential each quarter based on future discounted cash flows. The estimated value for the fleet as at September 30, 2012 supports the book value.

As at September 30, 2012, Management performed a review of the recoverable amount of the assets by assessing the recoverable amount for the significant assets within the Tanker Division, the Bulk Division and the investment in 50% of FR8.

Based on the review, Management concluded that:

- Assets within the Tanker Division were not further impaired as of September 30, 2012 as the value in use exceeds the carrying amount
- Assets within the Bulk Division were not impaired as the fair value less costs to sell exceeded the carrying amount
- To maintain the impairment of the investment in FR8 of USD 42 million to zero recognized in Q2 2012 in addition to the impairment losses recognized in previous years

Tanker Division
The methodology used for calculating the value in use is unchanged compared to the annual report for 2011 and accordingly the freight rate estimates in the period 2012 to 2015 are based on the Company's business plans, which in 2014 and 2015 assume a gradual increase towards the 10-year historic average spot freight rates. The freight rates from 2016 are based on the 10-year historic average spot freight rates from Clarksons adjusted by the inflation rate.

The WACC of 8.0% (September 30, 2011: 8.2%) is unchanged compared to December 31, 2011.

The 10-year historic average spot freight rates as of September 30, 2012 are as follows:

- LR2 USD/day 26,709 (September 30, 2011: USD/day 27,811)
- LR1 USD/day 22,493 (September 30, 2011: USD/day 23,293)
- MR USD/day 19,892 (September 30, 2011: USD/day 20,227)

Management believes that these major assumptions are reasonable.

The calculation of value in use is very sensitive to changes in the key assumptions which are considered to be related to the future development in freight rates, the WACC applied as discounting

factor in the calculations and the development in operating expenses. The sensitivities have been assessed as follows, all other things being equal:

- A decrease in the tanker freight rates of USD/day 500 would result in a further impairment of USD 135 million for the Tanker Division.
- An increase of the WACC of 1.0% would result in a further impairment of USD 181 million for the Tanker Division.
- An increase of the operating expenses of 5.0% would result in a further impairment of USD 90 million for the Tanker Division

In case the market conditions do not improve in order to sustain the current 10-year historic average spot freight rates, the Company may have to make further impairments of the assets.

It should be emphasized that in a forced sale the recoverable amount of the vessels would be significantly lower than the carrying amount of the vessels under a going concern assumption.

If the net realizable value of TORM's vessels or the fleets earning potential decline, it may lead to impairment losses being recognized in the consolidated financial statements. In addition, if TORM sells one or more of its vessels, the selling price may be less than the vessel's carrying value on the financial statements, resulting in a loss and a reduction in earnings. TORM may in the future need to record additional impairment losses, and loss from sale of vessels which could have a material adverse effect on TORM's future performance, results of operations, cash flows and financial position.

Variations in incoming cash flows
Due to the cyclical nature of the shipping industry and volatile freight rates, incoming cash flows may vary significantly from year to year whereas the outgoing cash flows may not be variable to the same extent and at the same time.

Significant deviations between ingoing and outgoing cash flows can thus damage the financial position of TORM and could have a material adverse effect on TORM's future performance, results of operations, cash flows and financial position.

Seasonal fluctuations in operating results
TORM operates in markets that have historically exhibited seasonal variations in demand and, as a result, in freight rates. This seasonality may result in quarter-to-quarter volatility in operating results. The tanker segment is typically stronger in the fall and winter months in anticipation of increased consumption of oil and petroleum products in the northern hemisphere. As a result, revenues from product tankers may be weaker during the fiscal quarters ending June 30 and September 30, and, conversely, revenues may be stronger in fiscal quarters ending December 31 and March 31. The drybulk sector is typically stronger in the fall and winter months in anticipation of increased consumption of coal and other raw materials in the northern hemisphere. As a result, drybulk revenues may be weaker during the fiscal quarters ending June 30 and September 30, and, conversely, revenues may be stronger in fiscal quarters ending December 31 and March 31. This seasonality could have a material adverse effect on TORM's future performance, results of operations, cash flows and financial position.

Potential new accounting rules with respect to leases
The International Accounting Standards Board is currently working on revising a number of financial reporting standards including IAS 17 Leases. The current exposure draft for a new international financial reporting standard on leases proposes that all leases entered with duration of more than one year shall be recognized as an asset with a corresponding lease liability being recognized under liabilities. It is currently not known if and when the revised standard will be become effective. TORM's balance sheet could be materially impacted by the new standard on leases. This could have a material adverse effect on TORM's future performance, results of operations, cash flows and financial position.

Risks related to TORM's activities

Fluctuations of revenue with changes in spot freight rates
TORM employs the majority of its vessels on spot voyage charters or short-term time charters. For the nine-month 2012, TORM generated 84% of its revenues from the spot market. TORM is impacted by any increase or decrease in market rates. If rates were to decrease further or continue at current low

levels, it could have a material adverse impact on TORM's future performance, results of operations, cash flows and financial position.

Dependence upon a few significant customers
The top ten customers accounted for 35% of TORM's revenue in 2011 and 45% in the first nine months of 2012.

The loss of any significant customer or a substantial decline in the amount of services requested by a significant customer could have a material adverse effect on TORM's future performance, results of operations, cash flows and financial position.

Recent history of losses and inability to achieve positive cash flows
TORM had net losses of USD 289 million; USD 453 million, USD 135 million and USD 17 million for the nine-month 2012 and years ended December 31, 2011, 2010 and 2009, respectively. Despite implementation of the Restructuring Agreement and the amendments to its Pre-Restructuring Debt Facilities and Time Charter-in Counterparty contracts, TORM cannot be certain to be able to achieve or sustain positive cash flows or profitability from its operations. Its ability to achieve positive cash flows is subject to financial, regulatory, legal, technical and other factors, many of which are beyond its control.

Age and competitiveness of TORM's fleet
Under the Financing Agreements, TORM is prohibited from acquiring vessels, including second-hand vessels. As a result of weak markets and rising fuel prices and thereby the implied need to focus on cost optimizing measures, delivery of new and more fuel efficient vessels could be expected.

The continuing increase of the average age of TORM's fleet, the sale of young vessels under certain option rights, the potential entry of more fuel efficient vessels and the limited ability to renew the Company's fleet could have a material adverse effect on TORM's competitive position, future performance, results of operations, cash flows and financial position.

Uncertainty regarding TORM's strategy going forward
Following the completion of the Restructuring, the Company will focus its efforts on pursuing the strategy plan within the newly imposed restrictions under the Financing Agreements. TORM will convene an extraordinary general meeting after publication of this Listing Prospectus with the purpose, inter alia, of electing new members to the Board of Directors. This implies that there may be uncertainty regarding TORM's strategy going forward. See "Part I – 21.7 Extraordinary general meeting".

An amended strategy could change the risk profile of the Company and an inadequate or unsuccessful business strategy or implementation of such business strategy may have a material adverse effect on TORM's future performance, results of operations, cash flows and financial position.

Uncertainty regarding TORM's accounting policies, estimates and judgements going forward
The preparation of TORM's financial statements in accordance with IFRS requires Management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. These estimates and assumptions are affected by the way TORM applies its accounting policies and by the assessments made by Management from time to time.

TORM will convene an extraordinary general meeting after publication of this Listing Prospectus with the purpose, inter alia, of electing new members to the Board of Directors. See "Part I – 21.7 Extraordinary general meeting". While Management believes that the accounting estimates currently applied are appropriate and the resulting balances are reasonable a new board of directors may amend the current accounting policies of TORM and may decide to apply different accounting estimates and/or judgements, including in respect of the carrying amount of vessels. The application of modified or new accounting policies, estimates or judgements may have a material adverse effect on TORM's future performance, results of operations, cash flows and financial position.

Increase in TORM's cost base
General administrative expenses and vessel operating expenses depend on a variety of factors, many of which are beyond TORM's control. Some of these costs, primarily relating to insurance, crewing and enhanced security measures, have been increasing and may increase in the future. An increasing cost base may have a material adverse effect on TORM's future performance, results of operations, cash flows and financial position.

Counterparties failing to honor their obligations
TORM has entered into bunker hedging contracts and employs vessels on Contracts of Affreightment ("COAs"), fixed rate time charters and voyage charters. Such contracts expose TORM to counterparty risks. The ability of counterparties to live up to the obligations under a contract with TORM will depend on a number of factors that are beyond TORM's control and may include general economic conditions, the condition of the shipping industry and the overall financial condition of the counterparties. In addition, in depressed market conditions, charterers may no longer need a vessel that is currently under charter or may be able to obtain a comparable vessel at lower rates. As a result, charterers may seek to renegotiate the terms of their existing charter parties or avoid their obligations under those contracts. Should a counterparty fail to honor its obligations under agreements, TORM could sustain significant losses which could have a material adverse effect on TORM's future performance, results of operations, cash flows and financial position.

Inadequate insurance policies coverage and increasing premiums
In the course of the fleet's operation, various casualties, accidents and other incidents may occur that may result in financial losses for TORM. For example, national and international rules, regulations and conventions mean that TORM may incur substantial liabilities in the event that a vessel is involved in an oil spill or emission of other environmentally hazardous agents.

In order to reduce the exposure to these risks, the fleet is insured against such risks as deemed appropriate by Management. The total insurance package comprises cover of risk in relation to the operation of vessels and transportation of cargoes, including personal injury, environmental damage and pollution, cargo damage, third-party casualty and liability, hull and engine damage, total loss and war. Incidents may occur where TORM's insurance package will not cover or will not adequately cover costs and/or losses, and insurance cover may not be available for some risks. Furthermore, insurance costs may rise as a consequence of unforeseen incidents, and might be affected by events beyond TORM's control.

Incidents for which TORM has not taken or cannot take out adequate insurance, or events causing the insurance premiums to rise, could have a material adverse effect on TORM's future performance, results of operations, cash flows and financial position.

IT break downs
TORM's ability to service customers and operate vessels is dependent on the continued operation of IT systems critical to the business, including a vessel operation system containing information about vessel positions, TORM's agreements with customers and other agreements made in the market, the system recording estimated and actual hire for individual voyages, the plant maintenance system and the ERP system. Any IT breakdowns can have a material adverse effect on TORM's future performance, results of operations, cash flows and financial position.

Fraud and fraudulent behaviour
The risk of fraud is inherent in all industries and is not specific to the shipping industry. However, historically, the shipping industry has involved an increased risk of fraud and fraudulent behaviour. TORM has established a system of internal controls to prevent fraud and fraudulent behaviour, consisting of segregation of duties, authorisations for trading, purchase and approval, codes of ethics and conduct, close monitoring of TORM's financial position and a whistleblower facility. However, TORM cannot be certain that it will not be exposed to fraud or fraudulent behaviour, and any such behaviour can have a material adverse effect on TORM's future performance, results of operations, cash flows and financial position.

Potential U.S. Federal Income Tax on U.S. source income
A non-U.S. corporation engaged in the international operation of ships, such as TORM and certain of its subsidiaries, may be subject to U.S. federal income tax on its U.S. source shipping income, unless the non-U.S. corporation qualifies for exemption under Section 883 of the U.S. Internal Revenue Code of

1986, as amended, or an applicable U.S. income tax treaty.

Under the U.S. Internal Revenue Code of 1986, as amended, 50% of the gross shipping income of a vessel owning or chartering corporation that is attributable to transportation that begins or ends, but that does not both begin and end, in the United States is treated as derived from U.S. sources.

To the extent that the U.S. source shipping income of a non-U.S. corporation is effectively connected with the conduct of a U.S. trade or business, the non-U.S. corporation would be subject to U.S. federal income tax on its U.S. source shipping income on a net basis (i.e., after allowable deductions) at ordinary corporate tax rates (currently up to 35%) plus a 30% branch profits tax. Based on the expected mode of TORM's shipping operations, Management believes that none of our U.S. source shipping income will be effectively connected with the conduct of a U.S. trade or business. The U.S. source shipping income of a non-U.S. corporation that is not effectively connected with the conduct of a U.S. trade or business is subject to a 4% U.S. federal income tax, without the allowance of deductions (referred to herein as the "4% gross-basis tax regime").

Although no assurances can be given, Management expects that TORM and its Danish subsidiaries will qualify for exemption from U.S. federal income tax under the United States-Denmark Income Tax Treaty (the "Treaty"). TORM's non-Danish Subsidiaries (as well as TORM and its Danish Subsidiaries) may be exempt from U.S. federal income tax under Code Section 883, provided that TORM is able to obtain from one or more of its 5% shareholders, and from each entity in the ownership chain between such shareholder and TORM, ownership statements required by the U.S. Treasury Regulations to support such shareholder's status as a qualified shareholder for purposes of Code Section 883. There is no certainty that TORM will be able to obtain such ownership statements to qualify for exemption under Code Section 883.

To the extent that TORM and its subsidiaries are not entitled to an exemption under the Treaty or under Code Section 883 for any taxable year, TORM and its subsidiaries would be subject to the 4% gross-basis tax regime during those taxable years. The imposition of this taxation could have a material adverse effect on TORM's future performance, results of operations, cash flows and financial position.

Risks related to the industry in which TORM operates

Global economic downturn
Negative trends in the global economy that emerged in 2008 continue to adversely affect global economic conditions. The world economy is currently facing a number of new challenges, including uncertainty related to the European credit crisis and recent turmoil and hostilities in the Middle East and other geographic areas and countries. The deterioration in the global economy has had, and may continue to have, a negative effect on the worldwide demand for certain goods and thus shipping.

The continued economic slowdown in the economies of the United States, the European Union and certain Asian countries may further adversely affect economic growth globally.

TORM faces risks attendant to changes in economic environments, changes in interest rates, and instability in the banking and securities markets around the world, among other factors. Market disruptions and any adverse changes in market conditions and regulatory climate in the United States and worldwide may adversely affect its business or impair its ability to make any future financial arrangements. TORM cannot predict how long the current market conditions will last. However, these economic and governmental factors, including reform of the financial system, could have a material adverse impact on TORM's future performance, results of operations, cash flows and financial position.

Adverse effect of changes in the economic and political environment in China
TORM's industry is highly dependent on imports and exports from China and any changes in policies adopted by the Chinese government to regulate its economy may have a material adverse effect on TORM's future performance, results of operations, cash flows and financial position.

Prior to 1978, the Chinese economy was a planned economy. Since 1978, increasing emphasis has been placed on the utilization of market forces in the development of the Chinese economy. Annual and five-year state plans are adopted by the Chinese government in connection with the development of the economy. Although state-owned enterprises still account for a substantial portion of the Chinese

industrial output, in general, the Chinese government is reducing the level of direct control that it exercises over the economy through state plans and other measures. There is an increasing level of freedom and autonomy in areas such as allocation of resources, production, pricing and management and a gradual shift in emphasis to a "market economy" and enterprise reform. Limited price reforms were undertaken; with the result that prices for certain commodities are principally determined by market forces. Many of the reforms are unprecedented or experimental and may be subject to revision, change or abolition based upon the outcome of such experiments. If the Chinese government does not continue to pursue a policy of economic reform, the level of imports to and exports from China could be adversely affected by changes to these economic reforms by the Chinese government, as well as by changes in political, economic and social conditions or other relevant policies of the Chinese government, such as changes in laws, regulations or export and import restrictions, all of which could have a material adverse impact on TORM's future performance, results of operations, cash flows and financial position

Cyclicality of the product tanker and drybulk vessel markets
The product tanker and drybulk vessel markets are cyclical leading to volatility in freight rates, vessel values and industry profitability.

The freight rates among different types of product tankers and drybulk vessels are highly volatile. For example, tanker freight rates have declined from historical highs reached in mid-2008, and the decline in freight rates for drybulk vessels has been even more pronounced, reaching near historically low levels in 2012.

See "Part I – 6.2.1 The products tanker segment" and "Part I – 6.2.2 The drybulk segment" for the description of factors that influence the demand and supply for vessel capacity.

All things being equal, based on earning days, a change of USD/day of 1,000 for TORM's uncovered freight rate days as per December 31, 2011 would have led to a change in profit before tax of USD 21 million in the first nine-month of 2012. With 6,046 earning days for 2012 open as at September 2012 30, a change of USD/day of 1,000 in freight rates will currently impact the profit before tax by approx. USD 6 million. As at September 30, 2012, TORM had covered 15% of the remaining earning days in 2012 in the Tanker Division at USD/day 13,944 and 103% of the remaining earning days in the Bulk Division at USD/day 10,694.

As such, a change in freight rates can have a material adverse effect on TORM's future performance, results of operations, cash flows and financial position.

Delayed recovery in the product tanker and drybulk vessel charter markets
If a sustained freight rate recovery in the product tanker and drybulk vessel markets is not experienced in the near-term, it could lead to breach of TORM's Financing Agreements at the time of testing of TORM's financial covenants on June 30, 2013, and under certain scenarios, before or after this date. See "Part I – Risk Factors - Risk of breaching covenants", "Part I – 22.1 Financing Agreements" and "Part II – 3.1 Working capital". Any such delayed recovery in the product tanker and drybulk vessel charter markets could have a material adverse effect on TORM's future performance, results of operations, cash flows and financial position.

Rising fuel prices
Fuel is a significant expense for TORM's shipping operations, except when vessels are under time charter, in which case the charterer pays the fuel costs. The price and supply of fuel is unpredictable and fluctuates based on events outside TORM's control, including geopolitical developments, supply and demand for oil and gas, actions by OPEC and other oil and gas producers, war and unrest in oil producing countries and regions, regional production patterns and environmental concerns. As a result, an increase in the price of fuel may have a material adverse effect on TORM's future performance, results of operations, cash flows and financial position.

Shift in consumer demand from oil towards other energy sources
The majority of TORM's earnings are related to the oil industry. A shift in the consumer demand from oil towards other energy resources such as wind energy, solar energy, or water energy will potentially affect the demand for TORM's product tankers. This could have a material adverse effect on TORM's future performance, results of operations, cash flows and financial position.

Complex laws and regulations
TORM's operations are subject to numerous laws and regulations in the form of international conventions and treaties, national, state and local laws and national and international regulations in force in the jurisdictions in which TORM's vessels operate or are registered, which can significantly affect the ownership and operation of vessels.

A number of countries and the International Maritime Organization ("IMO") have adopted, or are considering the adoption of, regulatory frameworks to, among other things, reduce greenhouse gas emissions. These regulatory measures may include, among others, adoption of cap and trade regimes, carbon taxes, increased efficiency standards, and incentives or mandates for renewable energy.

Furthermore, TORM's vessels are affected by the requirements set forth in the IMO's International Management Code for the Safe Operation of Ships ("ISM Code"), Safety of Life at Sea ("SOLAS"), International Convention for Prevention of Pollution from Ships ("MARPOL") and the International Ship and Port Facility Security Code ("ISPS"). The ISM Code requires ship owners, ship managers and bareboat charterers to develop and maintain an extensive ''Safety Management System'' that includes the adoption of a safety and environmental protection policy setting forth instructions and procedures for safe operation and describing procedures for dealing with emergencies. If TORM fails to comply with the ISM Code, the Company may be subject to increased liability, insurance coverage may be invalidated or decreased, or the Company's vessels may be detained or denied access to certain ports.

Compliance with such laws, regulations and standards, where applicable, require installation of costly equipment or operational changes and may affect the selling price or useful lives of TORM's vessels. TORM may also incur additional costs in order to comply with other existing and future regulatory obligations, including, but not limited to, costs relating to emissions, the management of ballast waters, maintenance and inspection, development and implementation of emergency procedures and insurance coverage or other financial assurance of TORM's ability to address pollution incidents. These costs could have a material adverse effect on TORM's future performance, results of operations, cash flows and financial position.

A failure to comply with applicable laws and regulations may result in administrative and civil penalties, criminal sanctions or the suspension or termination of TORM's operations. Environmental laws often impose strict liability for remediation of spills and releases of oil and hazardous substances, which could subject TORM to liability without regard to whether TORM was negligent or at fault. Under the U.S. Oil Pollution Act of 1990, for example, owners, operators and bareboat charterers are jointly and severally strictly liable for the discharge of oil within the 200-mile exclusive economic zone around the United States. An oil spill could result in significant liability, including fines, penalties, criminal liability and remediation costs for natural resource damages under other federal, state and local laws, as well as third-party damages. In addition, environmental incidents such as the Deepwater Horizon oil spill in the Gulf of Mexico in 2010 may also result in additional regulatory initiatives or statutes that may affect the operations or require TORM to incur additional expenses to comply with such regulatory initiatives or statutes. TORM is required to satisfy insurance and financial responsibility requirements for potential oil (including marine fuel) spills and other pollution incidents. Although TORM has arranged insurance to cover certain environmental risks, there can be no assurance that such insurance will be sufficient to cover all such risks or that such claims will not have a material adverse effect on TORM's future performance, results of operations, cash flows and financial position.

Failure to comply with customer requirements
In addition to official laws and regulations set out by governments and industry organizations TORM will be subject to strict requirements, primarily related to safety procedures and environment protection, set forth by the customers such as large oil companies. Customers continuously perform inspections of vessels and headquarters (vettings) to ensure compliance with the requirements. Failure to comply with the requirements may disqualify TORM as a carrier of the customer's cargo, which may have a material adverse effect on TORM's future performance, results of operations, cash flows and financial position.

Failure to pass vessel inspections by classification societies
The hull and machinery of every commercial vessel must be classed by a classification society authorized by its country of registry. Classification societies are non-governmental, self-regulating organizations and certify that a vessel is safe and seaworthy in accordance with the applicable rules and regulations of the country of registry of the vessel and the Safety of Life at Sea Convention. A

vessel must undergo various surveys. A vessel's machinery may be on a continuous survey cycle, under which the machinery would be surveyed periodically over a five-year period. The Company's vessels are on survey cycles for hull inspection and continuous survey cycles for machinery inspection. Every vessel is also required to be dry-docked every five years for inspection of the underwater parts of such vessel. In addition, every five years, alternating with the dry-docked inspection, there is a special survey for every vessel allowing an inspection/survey every two and a half years. If any vessel fails any survey the vessel may be unable to trade between ports and, therefore, would be unemployable, which may have a material adverse effect on TORM's future performance, results of operations, cash flows and financial position.

Potential damage to vessels due to the inherent operational risks of the seaborne transportation industry

The Company's vessels and their cargoes will be at risk of being damaged or lost because of events such as marine disasters, bad weather, business interruptions caused by mechanical failures, grounding, fire, explosions and collisions, human error, war, terrorism, piracy and other circumstances or events. These hazards may result in death or injury to persons, loss of revenues or property, environmental damage, higher insurance rates, damage to its customer relationships, delay or rerouting. The protection & indemnity, or P&I, insurance coverage that TORM has arranged for its vessels covers the vessel owner's liabilities towards the owner of any damaged cargo, subject to standard international conventions limiting such liability. If its vessels suffer damage, they may need to be repaired at a drydocking facility. The costs of drydock repairs are unpredictable and may be substantial. TORM may have to pay drydocking costs that its insurance does not cover in full. The loss of earnings while these vessels are being repaired and repositioned, as well as the actual cost of these repairs, would decrease its earnings. In addition, space at drydocking facilities is sometimes limited and not all drydocking facilities are conveniently located. The Company may be unable to find space at a suitable drydocking facility or its vessels may be forced to travel to a drydocking facility that is not conveniently located to its vessels' positions. The loss of earnings while these vessels are forced to wait for space or to steam to more distant drydocking facilities could have a material adverse effect on TORM's future performance, results of operations, cash flows and financial position.

Possible amendments to tonnage tax schemes

The Company is currently subject to tonnage tax schemes in a number of countries. If the entities' participation in the Danish tonnage tax scheme is abandoned, or if the entities' level of investment and activity is significantly reduced, a deferred tax liability will become payable.

In the event that tonnage tax schemes are changed in the future, it could increase the overall tax burden of the Company, and could have a material adverse effect on TORM's future performance, results of operations, cash flows and financial position.

Increase in frequency of acts of piracy on ocean-going vessels

Acts of piracy have historically affected ocean-going vessels trading in regions of the world such as the South China Sea, the Indian Ocean, West African Coast and in the Gulf of Aden off the coast of Somalia. Although sea piracy worldwide decreased slightly in 2011 for the first time in five years, throughout 2008, 2009 and 2010, the frequency of piracy incidents increased significantly, particularly in the Gulf of Aden off the coast of Somalia, with drybulk vessels and tanker vessels particularly vulnerable to such attacks. If these piracy attacks result in regions in which TORM's vessels are deployed being characterized as "war risk" zones by insurers, as the Gulf of Aden temporarily was in May 2008, or Joint War Committee "war and strikes" listed areas, premiums payable for such coverage could increase significantly and such insurance coverage may be more difficult to obtain. In addition, crew costs, including due to employing onboard security guards, could increase in such circumstances. TORM may not be adequately insured to cover losses from these incidents, which could have a material adverse effect on TORM. In addition, any detention hijacking as a result of an act of piracy against the Company's vessels, or an increase in cost, or unavailability, of insurance for its vessels, could have a material adverse effect on TORM's future performance, results of operations, cash flows and financial position.

Adverse effects from call of ports located in countries that are subject to sanctions and embargoes

From time to time, TORM may operate in countries that are subject to sanctions and embargoes imposed by the U. S. government and/or identified by the U.S. government as state sponsors of terrorism, such as Cuba, Iran, Sudan and Syria. The U. S. sanctions and embargo laws and regulations vary in their application, as they do not all apply to the same covered persons or proscribe the same

activities, and such sanctions and embargo laws and regulations may be amended or strengthened over time. In 2010, the U.S. enacted the Comprehensive Iran Sanctions Accountability and Divestment Act, or CISADA, which expanded the scope of the Iran Sanctions Act. Among other things, CISADA expanded the application of the prohibitions to additional activities of companies such as TORM's, and introduced limits on the ability of companies and persons to do business or trade with Iran when such activities relate to the investment, supply or export of refined petroleum or petroleum products. In 2012, Executive Order 13608 which prohibits foreign persons from violating or attempting to violate, or causing a violation of any sanctions in effect against Iran or facilitating any deceptive transactions for or on behalf of any person subject to U.S. sanctions was signed. Any persons found to be in violation of Executive Order 13608 will be deemed a foreign sanctions evader and will be banned from all contacts with the U.S. including conducting business in U.S. dollars. Also in 2012, the Iran Threat Reduction and Syria Human Rights Act of 2012, which created new sanctions and strengthened existing sanctions, was signed into law. Among other things, the act intensifies existing sanctions regarding the provision of goods, services, infrastructure and technology to Iran's petroleum or petrochemical sector. The act also includes a provision that states in part that, if a person is transporting crude oil from Iran or transporting refined petroleum products to Iran, that person's vessels could be barred from landing at U.S. ports for up to two years.

There is a risk that from time to time TORM will not be in compliance with all applicable sanctions and embargo laws and regulations, particularly as the scope of certain laws may be unclear and may be subject to changing interpretations. Any such violation could result in fines or other penalties and could result in some investors deciding, or being required, to divest their interest, or not to invest, in TORM. In addition, certain institutional investors may have investment policies or restrictions that prevent them from holding securities of companies that have contracts with countries identified by the U.S. government as state sponsors of terrorism. The determination by these investors not to invest in, or to divest from, the Shares or TORM's ADSs may adversely affect the price at which TORM's securities trade. In addition, TORM's reputation and the market for TORM's securities may be adversely affected if TORM engages in certain other activities, such as entering into contracts with individuals or entities in countries subject to U.S. sanctions and embargo laws that are not controlled by the governments of those countries, or engaging in operations associated with those countries pursuant to contracts with third parties that are unrelated to those countries or entities controlled by their governments. Investor perception of the value of TORM's securities may be adversely affected by the consequences of war, the effects of terrorism, civil unrest and governmental actions in these and surrounding countries. As such TORM's operation in countries that are subject to sanctions and embargoes imposed by the U. S. government and/or identified by the U.S. government as state sponsors of terrorism and any non-compliance with sanctions and embargoes imposed could have a material adverse effect on TORM's future performance, results of operations, cash flows and financial position.

Political instability, terrorist or other attacks, war or international hostilities

Terrorist attacks such as those in New York on September 11, 2001, in London on July 7, 2005, and in Mumbai on November 26, 2008, as well as the threat of future terrorist attacks around the world, continues to cause uncertainty in the world's financial markets and may affect TORM's business. Continuing conflicts and recent developments in the Middle East, including Syria, and North Africa, and the presence of U.S. and other armed forces in the Middle East, may lead to additional acts of terrorism and armed conflict around the world, which may contribute to further economic instability in the global financial markets. These uncertainties could also adversely affect the Company's ability to obtain additional financing on terms acceptable to the Company or at all. In the past, political conflicts have also resulted in attacks on vessels, mining of waterways and other efforts to disrupt international shipping, particularly in the Arabian Gulf region. Acts of terrorism and piracy have also affected vessels trading in regions such as the South China Sea and the Gulf of Aden off the coast of Somalia. Any of these occurrences could have a material adverse effect on TORM's future performance, results of operations, cash flows and financial position.

Governments' requisitioning of vessels during a period of war or emergency

A government could requisition for title or seize TORM's vessels. Requisition for title occurs when a government takes control of a vessel and becomes the owner. Also, a government could requisition TORM's vessels for hire. Requisition for hire occurs when a government takes control of a vessel and effectively becomes the charterer at dictated freight rates. Generally, requisitions occur during a period of war or emergency. As of the Listing Prospectus Date, none of TORM's vessels have been requisitioned by a government for title or hire, however, government requisition of one or more of TORM's vessels could have a material adverse effect on TORM's future performance, results of operations, cash flows and financial position.

Decreasing liquidity in the derivative market
In the past, TORM has taken positions in derivative instruments to hedge the risk on certain parts of TORM's business. Under the Financing Agreements, TORM is only allowed to do spot commodity hedging in the ordinary course of business. If liquidity in these derivative markets decreases or disappears it could make it difficult or more expensive for TORM to obtain such hedging, which could have a material adverse effect on TORM's future performance, results of operations, cash flows and financial position.

Risks related to employees

Ability to attract and retain qualified employees
The ability to recruit and retain qualified employees is important to TORM. There can be no assurance that TORM will be able to attract and retain such employees on reasonable terms in the future. TORM's ability to attract and retain employees in the future may be affected by the reduction of TORM's fleet as a result of the Restructuring, TORMs restricted operational flexibility and TORMs financial position.

Furthermore, TORM employs staff in a number of countries and the crew on its vessels, all of which are covered by international rules of employment. Changes are made on an ongoing basis to international rules of employment and this may have a material influence on TORM's liberty to man vessels.

If TORM is not able to attract and retain qualified employees on reasonable terms in the future, and/or if changes are made to international rules of employment, influencing TORM's liberty to man vessels, it could have a material adverse effect on TORM's future performance, results of operations, cash flows and financial position.

Involvement in industrial injury cases
TORM has from time to time been involved in industrial injury cases and there is a risk that TORM in the future will be a party to industrial injury cases. If it is not possible to obtain or maintain adequate insurance coverage for its liabilities related to industrial injuries, including if insurance coverage cannot be obtained on reasonable terms, or if the insurance coverage is insufficient, TORM may incur substantial liabilities and/or costs, and this could have a material adverse effect on TORM's future performance, results of operations, cash flows and financial position.

Industrial disputes resulting in work stoppages, strikes and/or work disruptions
TORM has in the past implemented and will potentially continue in the future to implement restructuring measures including divesting or closing down business activities, reducing the workforce and negotiate collective agreements with trade unions. In particular, restructurings, but also other factors such as disagreements concerning ordinary or extraordinary collective bargaining, may damage TORM's reputation and the relationship with its employees and lead to labor disputes, including work stoppages, strikes and/or work disruptions, which could have a material adverse effect on TORM's future performance, results of operations, cash flows and financial position.

Risks related to currency and interest rate risks

Exchange rate fluctuations
TORM uses USD as the functional currency because the majority of the Company's transactions are denominated in USD. Thus the Company's exchange rate risk is related to cash flows not denominated in USD. The primary risk relates to transactions denominated in DKK, EUR, Japanese Yen and other major currencies, and relates to administrative and operating expenses.

In 2011, TORM generated nearly all of its revenues in USD and incurred approximately 91% of its expenses in USD, approximately 7% in DKK and the remaining balance in EUR, Japanese Yen and other major currencies. In the first nine months of 2012, TORM likewise generated nearly all of its revenues in USD but incurred approximately 89% of its expenses in USD, approximately 8% in DKK and the remaining balance in EUR, Japanese Yen and other major currencies. Under the Financing Agreements, TORM is no longer allowed to hedge its foreign currency exposure. A change in exchange rates could have a material adverse impact on TORM's future performance, results of operations, cash flows and financial position.

Interest rate fluctuations
As of the completion of the Restructuring all of TORM's bank debt of USD 1,906 million bore interest rates fluctuating with LIBOR. Under the Financing Agreements, TORM is not allowed to hedge its interest rate exposure.

If LIBOR were to increase, it would increase the amount of interest payable on the debt, which could a material adverse effect on TORM's future performance, results of operations, cash flows and financial position.

Risks related to litigation

Involvement in future legal proceedings
TORM and its activities are subject to both Danish and foreign laws and regulations many of which include legal standards, which are subject to interpretation, and TORM is party to agreements and transactions, including in connection with the Restructuring, involving matters of assessment of interests of various stakeholders and valuation of assets, liabilities and contractual rights and obligations. Furthermore, TORM may be subject to the jurisdiction of courts or arbitration tribunals in many different jurisdictions.

TORM's counterparties and other stakeholders or authorities may dispute the Company's compliance with laws and regulations or contractual undertakings, or the assessments made by the Company in connection with its business and the entry into agreements or transactions. The outcome of any such dispute or legal proceedings is inherently uncertain, and may include payment of substantial amounts in legal fees and damages or that a transaction or agreement is deemed invalid or voidable and such proceedings or decisions could have a material adverse effect on the Company's future performance, results of operations, cash flows and financial position.

TORM is currently involved in a general investigation by the Danish tax authorities which have carried out a control visit relating to the application of withholding taxes in connection with dividend distributions. The control visit was conducted by the Danish tax authorities as part of a wider campaign aimed at Danish companies who have paid dividends to entities in European low tax jurisdictions. No claims have been raised by the Danish tax authorities as at the Listing Prospectus Date.

If a claim is raised by the Danish tax authorities as a result of such investigation or other cases or proceedings the Company may be involved in now or in the future is determined to TORM's disadvantage, it may result in fines, default under the Financing Agreements, damages or reputational damage and could have a material adverse effect on the Company's future performance, results of operations, cash flows and financial position.

Further, reference is made to "Part I – 21.7 Extraordinary general meeting" regarding the convening of the extraordinary general meeting.

Arrest of TORM's vessels
Crew members, suppliers of goods and services to a vessel, shippers of cargo, secured lenders, time charter-in counterparties and other parties may be entitled to a maritime lien against that vessel for unsatisfied debts, claims or damages. In many jurisdictions a maritime lien holder may enforce its lien by arresting a vessel and commencing foreclosure proceedings. In addition, in some jurisdictions, such as South Africa, under the "sister ship" theory of liability, a claimant may arrest both the vessel which is subject to the claimant's maritime lien and any "associated" vessel, which is any vessel owned or controlled by the same owner. Claimants could try to assert "sister ship" liability against one vessel in the fleet for claims relating to another of TORM's vessels. The arrest or attachment of one or more of TORM's vessels could interrupt operations and require TORM to pay a substantial sum of money to have the arrest lifted, which could result in a loss of earnings and have a material adverse effect on TORM's future performance, results of operations, cash flows and financial position.

Risks related to the Listing

Potential sell-down of Shares by the Secured Lenders and Time Charter-in Counterparties
As of completion of the Restructuring, the Secured Lenders and Time Charter-in Counterparties and/or their respective assignees owned 90% of the Company's share capital. Neither the Secured Lenders nor the Time Charter-in Counterparties have any lock-up obligations under the Restructuring Agreement or the Financing Agreements.

There can be no assurance that neither the Secured Lenders nor the Time Charter-in Counterparties will retain their shares. If some of the Secured Lenders or Time Charter-in Counterparties decide to sell their shares, this could have a material adverse effect on TORM's share price.

Limited free float in the Shares
As of completion of the Restructuring, more than 90% of the Shares was held by a limited number of shareholders, including but not limited to the Secured Lenders and Time Charter-in Counterparties. If these shareholders continue to hold on to their shares it will affect the liquidity of the Shares and may impair the ability of investors to sell their Shares at the time or times they may wish to do so or at an acceptable price, and may increase the volatility of the price of the Shares.

The market price of TORM's Shares may be highly volatile
The market price of the Shares has been and may in the future continue to be highly volatile, subject to significant fluctuations in response to various factors, some or many of which may be beyond the Company's control and which may be unrelated to the Company's business, operations or prospects. Matters which could affect the price of the Shares include actual or anticipated variations in operating results, changes in the market valuations of other similar companies, additions or departures of key employees and further sales of shares by the Company.

In addition, the equity market in general has experienced significant price and volume fluctuations that may be unrelated or disproportionate to the operating performance of the particular companies. These general market factors may adversely affect the market price of the Shares, regardless of the Company's operating performance. The trading price of the Shares may be subject to wide fluctuations in response to these factors, including the sale or attempted sale of a large number of the Shares into the market.

Issuance of Shares
Under the Financing Agreements, the Company is prohibited from issuing additional Shares or other securities. To the extent the Secured Lenders permit, the Company could issue Shares or other securities, which could cause the market price of its Shares to decline. The Company has no current plans to ask for permission from the Secured Lenders to issue new Shares. An issue of new Shares or other securities by the Company, or a public perception that an offering may occur, could have an adverse effect on the market price of the Shares.

Rights of holders of Shares governed by Danish law and by the Company's articles of association
TORM is a public limited liability company organized under the laws of Denmark, which may make it difficult for Shareholders residing outside Denmark to exercise or enforce certain rights. The rights of holders of Shares may differ from the typical rights of shareholders in the U.S. and other jurisdictions; see "Part II – 5. Terms and conditions of the Listing". It may not be possible for investors to effect service of process outside Denmark upon the Company, or to enforce judgments against the Company obtained from non-Danish courts based upon applicable law in jurisdictions outside Denmark. In addition, shareholders outside Denmark may face difficulties exercising their rights to vote.

The Listing may be withdrawn in certain exceptional and unpredictable circumstances
Any withdrawal will be notified immediately to NASDAQ OMX Copenhagen and announced as soon as possible in the same Danish daily newspapers in which the Listing was announced. Pursuant to the terms of the Restructuring Agreement, the Listing of the Listing Shares must be completed within three months of the completion of the Restructuring. Failure to complete the listing may result in TORM being in default of the Restructuring Agreement.

Shareholders outside Denmark are potentially subject to exchange rate risk
The Shares are priced in DKK. Accordingly, the value of the Shares is likely to fluctuate in line with any

fluctuations of the exchange rate between the local currency of the country in which an investor outside Denmark is based and DKK. If the value of DKK depreciates against the local currency of the country in which an investor outside Denmark is based, the value of such investor's Shares will decrease when expressed in such local currency.

Potential delisting of TORM's ADSs from the NASDAQ Capital Market in the U.S.
As at December 3, 2012, 3,336,577 TORM Shares were deposited for the ADSs listed on the NASDAQ Capital Market in the United States corresponding to 0.5% of the registered share capital of the Company as at the Listing Prospectus Date. TORM's ability to retain the listing of the ADSs is contingent upon compliance with NASDAQ Capital Market listing requirements. NASDAQ Capital Market has notified TORM that for 30 consecutive business days the bid price of TORM's ADSs has closed below USD 1.00 per share, the minimum closing bid price required by the continued listing requirements of NASDAQ Capital Market as set forth in the Listing Rule 5450(a)(1). The notification has no effect on the listing of the Company's ADSs at this time. In order to regain compliance the closing bid price of TORM's ADS must be at least USD 1.00 per share for a minimum of ten consecutive business days. TORM has until 24 December 2012 to regain compliance.

TORM has addressed compliance with the NASDAQ rules by changing the ratio of its American Depository Shares to its Common Shares from 1:1 to 1:10 on 27 November 2012. However, if the closing bid price of TORM's ADSs cannot be maintained above USD 1.00 per share for ten consecutive business days, TORM's ADSs may be delisted and traded on the over-the-counter bulletin board network. Delisting of the ADSs from the NASDAQ Capital Market could adversely affect the liquidity of the ADSs and would affect the ability of investors to trade TORM securities, which could in turn affect the demand in TORMs Danish listing. In addition, any delisting of TORM's ADSs could further depress the price of TORM's ADSs and materially adversely affect TORM's ability to raise further capital on terms acceptable to TORM, or at all. Delisting from NASDAQ Capital Market could also have other negative results, including the potential loss of confidence by suppliers and employees, the loss of institutional investor interest and fewer business development opportunities.

I. DESCRIPTION OF THE COMPANY

1. Persons responsible

See “Responsibility and statements”.

2. Auditors

TORM's independent auditors are:

Deloitte Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
2300 Copenhagen S
Denmark

Deloitte Statsautoriseret Revisionspartnerselskab is represented by Anders Dons, State Authorised Public Accountant and Henrik Kjelgaard, State Authorised Public Accountant. Anders Dons and Henrik Kjelgaard are members of FSR Danish Auditors (FSR – danske revisorer).

Deloitte Statsautoriseret Revisionspartnerselskab has audited TORM's annual reports for 2009, 2010 and 2011. The annual reports for 2011 and 2010 were signed by Anders Dons and Henrik Kjelgaard, State Authorised Public Accountants. The annual report for 2009 was signed by Erik Holst Jørgensen and Henrik Kjelgaard, State Authorised Public Accountants. Erik Holst Jørgensen did not participate in the audit of the annual reports for 2010 and 2011 due to the statutory rotation requirements.

Deloitte Statsautoriseret Revisionspartnerselskab has for purposes of this Listing Prospectus reviewed the interim consolidated financial statements for the nine months ended September 30, 2012 with comparative figures for the nine months ended September 30, 2011. The interim consolidated financial statements for the nine months ended September 30, 2012 with comparative figures for the nine months ended September 30, 2011 was signed by Anders Dons and Henrik Kjelgaard, State Authorised Public Accountants.

References to reports made by TORM's independent auditors

Consolidated financial statements for 2009, 2010 and 2011 for TORM A/S
Deloitte, statsautoriseret revisionsaktieselskab issued an independent auditor's report on TORMs consolidated financial statements for 2009 and 2010 as presented by management. Deloitte, statsautoriseret revisionspartnerselskab issued an independent auditor's report on TORMs consolidated financial statements for 2011 as presented by management. The auditor's reports provided in the 2009 and 2010 consolidated financial statements were unqualified without emphasis of matter. The auditor's report provided in the 2011 consolidated financial statements was unqualified but with the following emphasis' of matter paragraphs:

> *"Emphasis of matter regarding the financial statements - Going concern*
> *In forming our opinion on the consolidated financial statements and the parent financial statements, we have considered the adequacy of the disclosure made in note 2 to the consolidated financial statements concerning the Group's and the Parent's ability to continue as a going concern at least until 31 December 2012.*
>
> *Note 2 to the consolidated financial statements discloses that with the current financial position and continuing low freight rate levels, TORM A/S will not have sufficient liquidity to continue its operations throughout 2012. Therefore TORM A/S has entered into a conditional framework agreement in principle with its banks and major time charter partners to execute a comprehensive financing and restructuring plan that will provide TORM A/S with sufficient liquidity to continue its operation at least until 31 December 2012. The plan will result in:*
>
> - *the banks and the time charter partners receiving an ownership interest of 92.5% in TORM A/S, while the existing shareholders will retain an ownership interest of 7.5%,*
> - *the banks providing a USD 100 million revolving credit facility maturing in two years,*
> - *the banks providing deferral of all installments and repayments of loans until December 2016 with simultaneous possibility for rolling up interest the first*

two years, however such that liquidity in excess of a pre-defined minimum liquidity threshold will be paid to the banks,

- *the time charter partners aligning the time charter-in rates with the market level or agreeing to terminate the charters.*

The implementation of the plan is primarily subject to finalization of the contractual agreements, the final approval by the Board of Directors, the banks and time charter partners as well as shareholder approval of the authorizations to the Board of Directors to carry out the necessary capital reduction and capital increase. These conditions, along with the other matters explained in note 2 to the consolidated financial statements, indicate the existence of a material uncertainty which may cast significant doubt about the Group's and the Parent's ability to continue as a going concern.

The consolidated financial statements and the Parent financial statements do not include the adjustments that would result if the Group and the Parent are unable to continue as a going concern.

Emphasis of matter regarding the financial statements - Valuation of vessels
In forming our unqualified opinion on the consolidated financial statements and the parent financial statements, we have considered the adequacy of the disclosure in note 9 to the consolidated financial statements concerning the Group's and the Parent's impairment testing of the Tanker Division, which gives an account of the sensitivities associated with the key assumptions around charter rates, operating expenses and weighted average cost of capital used in the impairment tests.

Furthermore, note 9 in the consolidated financial statements states that the market value of the Group's fleet as of 31 December 2011 is USD 1,797 million, which is USD 608 million less than the carrying amount at 31 December 2011, and that in a forced sale the recoverable amount of the fleet will be significantly lower than under the going concern assumption applied when preparing the consolidated financial statements and parent financial statements."

Interim consolidated financial statements for the nine month periods ended September 30, 2012 and September 30, 2011 for TORM A/S
Deloitte Statsautoriseret Revisionspartnerselskab has reviewed the interim consolidated financial statements for the nine month periods ended September 30, 2012 and September 30, 2011 for TORM A/S as presented by management. The review was conducted in accordance with ISRE 2410 DK, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity, and additional requirements under Danish audit regulation". This standard requires that the review be planned to obtain limited assurance as to whether the interim financial statements are free of material misstatement. The interim consolidated financial statements for the nine month periods ended September 30, 2012 and September 30, 2011, as set out on pages F212 – F225 of this Prospectus, are presented in accordance with IAS 34 as adopted by the EU. The interim consolidated financial statements for the nine month periods ended September 30, 2012 and September 30, 2011 have been provided with an unqualified review report with the following emphasis' of matter paragraphs:

"Emphasis of matter regarding the interim consolidated financial statements - Going concern

In forming our unqualified conclusion on the interim consolidated financial statements, we have considered the adequacy of the disclosure made in note 6 to the interim consolidated financial statements concerning TORMs ability to continue as a going concern at least until September 30, 2013.

Note 6 to the interim consolidated financial statements discloses that if the difficult conditions in the tanker and bulk markets during 2012 continue to prevail for a longer period, the Company anticipates to be in breach with the new financial covenants during the course of 2013. However, in market conditions where the most current

pick-up in product tanker freight rates will prove sustainable over the coming years, the Company will be in compliance with its financial covenants and will be able to service interest and installment obligations on the bank debt as they become due.

In the event a breach of covenants becomes apparent, renegotiations of the covenants with the lenders will be initiated. Such renegotiations may be lengthy and there can be no certainty that they will be successful and furthermore the development in freight rates is beyond the control of Management. As such Management describes a potential going concern uncertainty in note 6 to the interim consolidated financial statements to which we refer.

Emphasis of matter regarding the interim consolidated financial statements - Valuation of vessels

In forming our unqualified conclusion on the interim consolidated financial statements, we have considered the adequacy of the disclosure in note 1 to the interim consolidated financial statements concerning TORMs impairment testing of the Tanker Division, which gives an account of the sensitivities associated with the key assumptions around charter rates, operating expenses and weighted average cost of capital used in the impairment tests.

Furthermore, the interim consolidated financial statements as of September 30, 2012 states that the market value of TORMs fleet as of September 30, 2012 is USD 1,316 million, and that in a forced sale the recoverable amount of the fleet will be significantly lower than under the going concern assumption applied when preparing the interim consolidated financial statements."

The review report is set out on page F210 – F211 of this Prospectus.

Prospective consolidated financial information for 2012 for TORM A/S

Deloitte Statsautoriseret Revisionspartnerselskab has examined the prospective consolidated financial information for 2012 for TORM A/S, as set out on pages 137 – 139 of this Prospectus. The examinations were conducted in accordance with ISAE 3000 DK, "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information, and additional requirements under Danish audit regulation". In this connection, a report was issued giving reasonable assurance that the prospective consolidated financial information for 2012 have, in all material respects, been prepared on the basis of the assumptions disclosed in Part I of the Listing Prospectus, section 13 on "Prospective consolidated financial information" and in accordance with the accounting policies applicable to the Company. The report, which is unqualified and without emphasis of matter, is set out on page 136 of this Prospectus.

3. Selected financial information

Reference is made to “Part I – 9. Operating and financial review”.

4. Risk factors

Reverence is made to the section entitled “Risk factors” above**.**

5. Information about the Company

5.1 Name, registered office, etc.

TORM A/S
Tuborg Havnevej 18
2900 Hellerup
Denmark

Tel.: +45 39 17 92 00
Web: www.torm.com
E-mail: man@torm.com

The Company also carries out business under the secondary names Aktieselskabet af 3. november 1986 (TORM A/S), BWT 3 A/S (TORM A/S) and Aktieselskabet Dampskibsselskabet TORM (TORM A/S).

The Company's registration number (CVR) is 22460218.

The registered office of the Company is situated in the municipality of Gentofte.

5.2 Objects and purposes

The Company's objects, as set out in article 1.3 of the articles of association, are to carry out business within shipping, chartering and other transport services, to make investments, including in real property, and to carry out such other business as the Board of Directors may deem incidental to the attainment of the said objects. The objects may be attained by ownership in whole or in part, including as shareholder, partner or otherwise of any other business which has one or more of the objects set out above.

5.3 Date of incorporation and governing law

The Company is registered under Danish law and was incorporated as a limited liability company under the laws of Denmark before January 1, 1900.

5.4 ISIN code

The Company's Pre-Restructuring Shares are admitted to trading and official listing on NASDAQ OMX Copenhagen under ISIN code DK0060082915.

The Listing Shares are issued with the temporary ISIN code DK0060443877. The Listing Shares will not be admitted for trading and official listing on NASDAQ OMX Copenhagen under the temporary ISIN code. Upon completion of the Listing, the Listing Shares will be admitted to trading and official listing under the ISIN code of the Pre-Restructuring Shares, DK0060082915, on December 10, 2012.

5.5 Financial calendar

The Company will convene an Extraordinary General Meeting after publication of this Listing Prospectus for the purposes, inter alia, of electing new members to the Board of Directors and proposing certain amendments to the articles of association. See "Part I – 21.7 Extraordinary general meeting" for a further description of the extraordinary general meeting, including for a description in respect of timing of the notice to convene the extraordinary general meeting.

The Company will release its financial calendar for 2013 in December, 2012. The Company's next annual general meeting is expected to be held in April 2013.

5.6 Financial year and financial reporting

The Company's financial year runs from January 1 to December 31. The Company publishes interim reports for the first, second and third quarters of the financial year and a full-year report. Annual reports and interim reports are published in both Danish and English.

5.7 Principal banks

The Company's principal banks are Danske Bank A/S and Nordea Bank Danmark A/S.

5.8 Issuing agent

The Company's issuing agent is:

Danske Bank A/S
Holmens Kanal 2-12
1092 Copenhagen K
Denmark

5.9 Share registrar

The Company's share registrar is:

VP Investor Services A/S (VP Services A/S)
Weidekampsgade 14
P.O. Box 4040
2300 Copenhagen S
Denmark

5.10 Transactions with financial advisers and independent auditors of the Company

Danske Bank is Global Coordinator & Joint Lead Manager and BNP PARIBAS, Nordea Markets – Investment Banking and SEB Enskilda are Joint Lead Managers of the Listing and will in that connection receive fees and certain representations and warranties and customary indemnification undertakings from the Company. In connection with their usual business activities, Danske Bank, BNP PARIBAS, Nordea Markets – Investment Banking and SEB Enskilda or some of their associates may have provided and may in future provide investment advisory services and carry on ordinary banking business with TORM.

Danske Bank, BNP PARIBAS, Nordea and SEB (or their assignees) subscribed for a total of 232,260,906 Listing Shares in connection with the Restructuring Agreement. In addition, Danske Bank, BNP PARIBAS, Nordea Markets – Investment Banking and SEB Enskilda and/or some of their associates may for their own account hold, buy or sell such securities and any other of the Company's securities and any investments related thereto, and they may offer or sell such securities or other investments in contexts other than in connection with the Listing. The Global Coordinator & Joint Lead Manager and Joint Lead Managers do not intend to disclose the extent of any such investments or transactions other than in compliance with legal or regulatory requirements to do so.

Danske Bank, BNP PARIBAS, Nordea and SEB have granted loans to TORM. See "Part I – 22. Material contracts" for a description of these loans.

The Company's independent auditors Deloitte Statsautoriseret Revisionspartnerselskab provide consulting services to the Company in addition to statutory auditing.

5.11 The Company's history and development

Reference is made to "Part I – 6.1.1 Overview, history and development of TORM" for a description of the Company's history and development.

5.12 Investments

The Company's investments for the years 2011, 2010 and 2009 are described in "Part I – 9.6 Consolidated financial statements for the years ended December 31, 2009, 2010, 2011", and the investments for the nine months ended September 30, 2012 and September 30, 2011 are described in "Part I – 9.5 Nine months ended September 30, 2012 with comparatives for the nine month ended September 30, 2011".

The Company operates globally and thus investments are also made globally.

As of the Listing Prospectus Date, TORM has not committed to any other ongoing and material future investments.

6. Business

6.1 Description of TORM's activities

6.1.1. Overview, history and development of TORM

TORM is one of the world's largest carriers of refined oil products and also a participant in the drybulk market. As of the Listing Prospectus Date, the Company's fleet consists of 66 owned vessels, 2 vessels under financial lease and 21 chartered-in vessels on long term contracts. In addition, 19 product tankers are either in pool or under commercial management with TORM and 19 dry bulk vessels are chartered-in on short term contracts.

TORM is headquartered in Hellerup (Denmark) and conduct business worldwide, with offices in Mumbai (India), Manila (Philippines), Singapore, Stamford (Connecticut, USA) and Rio de Janeiro (Brazil).

The Company's core business philosophy is to meet the customers' transport needs with an emphasis on safety, environmental responsibility and customer service. In the year ended December 31, 2011, TORM's shipping operations contributed revenues of USD 1,305 million and EBITDA loss of USD 44 million, and revenues of USD 839 million and EBITDA loss of USD 41 million for the nine months ended September 30, 2012, see "Part I – 9. Operating and financial review".

The Company was founded in 1889 by Captain Ditlev E. Torm and Christian Schmiegelow and TORM celebrated its 120th anniversary in 2009. Within the first 10 years the fleet grew to comprise four vessels, and in 1905 the Company was listed on the Copenhagen Stock Exchange. In the 1910s the Company began to sail international voyages and expanded its activities with the ordering of its first refrigerated vessel in the 1920s and delivery of its first motorised ship in 1933. During World War II, the Company lost 13 vessels and 41 employees but quickly recovered following the end of the war and increased the number of sailing routes. During the period 1950-1990 TORM was very active within consolidation of the product tanker market and continued efficiency improvements securing the Company a leading position in the global product tanker market. In the early 2000s the Company's liner and offshore marine service activities were divested.

In the period from 2006-2008 the Company was focused on increasing the size of its fleet. The Company ordered 19 newbuildings in this period and chartered in 21 vessels on long term contracts, all with forward deliveries. In addition, in 2007 the Company made its largest acquisition ever when acquiring the U.S. shipping company OMI Corporation in collaboration with Teekay Shipping Corporation. The Company took over a total of 26 product tankers following the acquisition, 11 of which were MR tankers, 13 Handysize tankers and two were LR1 tankers.

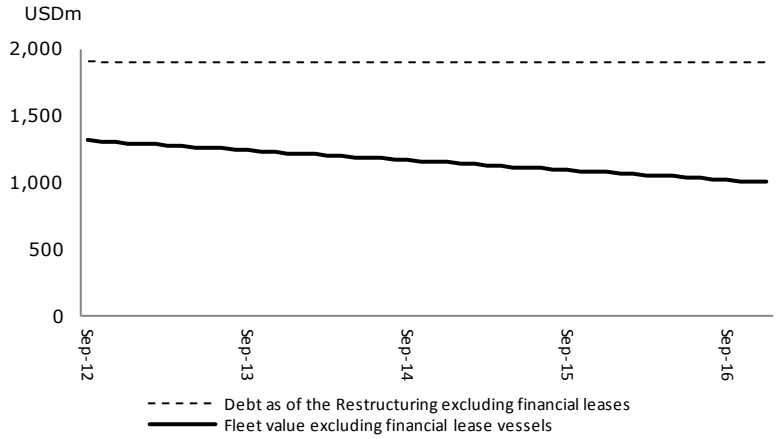
In 2008, TORM appointed a new Executive Management, comprised of CEO Jacob Meldgaard and CFO Roland M. Andersen. However, CEO Jacob Meldgaard did not join the Company before April 2010 due to a non-competition clause.

During the financial crisis and the slowdown of the global economy, starting in late 2008, which resulted in continuously low freight rates and cyclical low vessel values, TORM's financial situation gradually deteriorated. As a consequence TORM initiated a dialogue with its creditors and achieved a temporary standstill agreement with its Secured Lenders in December 2011, which was extended several times afterwards. In April 2012, TORM announced that it had signed a conditional agreement in principle with its Secured Lenders and certain of its major Time Charter-in Counterparties regarding a long-term financing solution which formed the basis of the Restructuring.

With the completion of the Restructuring, TORM gained time for a potential market improvement and to potentially secure the future, long-term capital structure of the Company. However, TORM is currently heavily leveraged and if substantial market improvements do not occur TORM will most likely continue to be loss making which will erode TORM's equity. Further, the existing capital structure does not provide the necessary basis for the financing of TORM's operations and growth in the medium to long term, and additional financing, remission of debt or alternative actions will be required. The market value based on broker valuations of TORM's fleet excluding financial leases of USD 1,316

million as of September 30, 2012, is significantly below TORMs outstanding bank debt of USD 1,906 million as of the Restructuring. If the underlying market conditions do not improve there is a risk that the gap between the debt and the fleet market value will increase, as illustrated in the figure below.

Figure 1: Illustrative overview of the increasing gap between debt and fleet value



Note: For illustrative purposes, the figure reflects the fleet value as depreciated over the expected remaining lifetime and no other development in value is assumed
Source: TORM

TORM's Financing Agreements entered into in connection with the Restructuring contain financial and operational covenants. If the difficult market conditions experienced during 2012 continue, TORM expects to be in breach under both the Super Senior Working Capital Facility and the loan facilities governed by the Framework Agreement at the time of testing of the financial covenants on June 30, 2013 and, under certain scenarios, before or after this date. In case a breach of covenants becomes apparent TORM plans to initiate renegotiations with the Secured Lenders to obtain the necessary waivers and amendments.

6.1.2. The Restructuring

Prior to the completion of the Restructuring, TORM had a number of short- and long-term borrowing facilities. These facilities had different terms, including covenants, maturities, securities and amortization schedules. Further, the Company had a number of off-balance sheet liabilities, primarily related to time charter agreements, which had a significant negative impact on the Company's earnings and liquidity.

The Restructuring Agreement was entered into between TORM and its Secured Lenders and certain of its major Time Charter-in Counterparties and facilitated the Restructuring through a complex of agreements. These agreements and the Restructuring Agreement aligned the terms of TORM's time charter and bareboat agreements with the Time Charter-in Counterparties to market rates as per March 2012 or allowed for termination of the time charter and bareboat agreements and thereby resulted in a significant reduction in off-balance sheet liabilities. Further, TORM and its Secured Lenders entered into a Framework Agreement which aligned the key terms of all of the Company's Pre-Restructuring Debt Facilities and a Super Senior Working Capital Facility with certain of the Secured Lenders which provided for a new revolving facility of USD 100 million to be used for working capital purposes (the Framework Agreement and the Super Senior Working Capital Facility together the "Financing Agreements"). See "Part I – 22. Material contracts" for a description of TORM's Financing Agreements.

As part of the Restructuring, a new shareholder structure of the Company was implemented where the Pre-Restructuring Shareholders retained 10% ownership of TORM, the Secured Lenders (or their assignees) obtained 72.8% ownership, and the Time Charter-in Counterparties (or their assignees) obtained 17.2% ownership.

The Restructuring contains the following key elements:

- New debt financing (working capital) from certain Secured Lenders
- Restructuring of the Pre-Restructuring Debt Facilities
- Restructuring of charter-in contracts

New debt financing (working capital) from Secured Lenders
The new debt financing consists of a new Super Senior Working Capital Facility of USD 100 million which is available until and matures on September 30, 2014 with no fixed amortization, however, subject to a required cash sweep of 75% of any aggregate amount of cash (after payment of interest) above USD 50 million and 100% of any aggregate amount of cash (after payment of interest) above USD 100 million. USD 60 million of the Super Senior Working Capital Facility was drawn in connection with completion of the Restructuring to cover, inter alia, accrued interest under the Pre-Restructuring Debt Facilities and costs incurred in connection with the Restructuring.

Restructuring of Pre-Restructuring Debt Facilities
Under the Framework Agreement, the Pre-Restructuring Debt Facilities and accrued swap liabilities were rolled over. The key elements of the rollover included:

- Pay-If-You-Can (PIYC) interest on the senior and junior tranches of the Pre-Restructuring Debt Facilities until June 30, 2014 with a possibility of extension until September 2014 subject to certain requirements. Interest on subordinated tranches will be rolled up until September 30, 2014
- All Pre-Restructuring Debt Facilities will mature on December 31, 2016
- Cash sweep amortization

The Framework Agreement aligns pricing per tranche in respect of all Pre-Restructuring Debt Facilities with an average interest margin of approximately 240 basis points across the Pre-Restructuring Debt Facilities. Until June 30, 2014, with a possibility of extension until September 30, 2014, interest on the senior and junior tranches of the Pre-Restructuring Debt Facilities is to be paid only if the Company has sufficient liquidity or will otherwise be rolled up during this period. Interest on the subordinated tranches will be rolled-up until September 30, 2014.

The Framework Agreement provides for a deferral of installments on the Pre-Restructuring Debt Facilities until September 30, 2014 subject to a cash sweep of 75% of any aggregate amount of cash (after payment of interest and only if the Super Senior Working Capital Facility has been fully repaid) above USD 50 million and 100% of any aggregate amount of cash (after payment of interest and only if the Super Senior Working Capital Facility has been fully repaid) above USD 100 million. The Company will be required to repay USD 50 million in the second half of 2014 and USD 100 million annually in the years 2015 and 2016. All of the Pre-Restructuring Debt Facilities will mature on December 31, 2016.

Uniform covenants and default provisions apply across the bank debt facilities. The financial covenants include minimum liquidity levels, maximum loan to value ratios in respect of the senior debt tranche, maximum net leverage ratios and minimum interest coverage ratios. The operational covenants include prohibition to take on further financial indebtedness, prohibition on derivative transactions, restrictions on share issues, restrictions on disposals and acquisitions and restrictions on time charter.

The covenants impose restrictions on the Company which mean that certain operational and commercial decisions such as derivative and charter transactions require consent from the Secured Lenders. Going forward the Company will be in an ongoing dialogue with the Secured Lenders about pursuing profitable business opportunities and operational improvements, including in respect of amendments to, or lifting of, certain of the restrictions.

Furthermore, the Framework Agreement contains individual option rights for the lenders under three bank facilities to request the divestment of vessels being financed by such bank facilities. The options relate to bank facilities financing thirteen, five and four vessels respectively. Under the options, the Company will be required to propose a sales strategy to be agreed with the relevant lenders for the

vessels comprised by the options. The lenders under each of the bank facilities have a right but not an obligation, until July 31, 2014 with certain possibilities of extension, to exercise their options relating to the vessels financed by the relevant facility. If an option is exercised but the relevant vessels are not sold by TORM pursuant to the sales strategy within a specific period, the relevant option holder will have an irrevocable and unfettered right but not an obligation to dispose of the relevant vessels. The lenders under the bank facility financing five vessels have excercised their option and thus initiated the process set out in the Framework Agreement in relation to these five vessels.

The total outstanding debt relating to the bank facility financing five vessels was USD 121 million as of the Restructuring. The book value for the five vessels was USD 210 million as per September 30, 2012 and the market value based on broker valuations was USD 141 million as per September 30, 2012. The average age of the five vessels was two years as of the Restructuring.

The total outstanding debt relating to the bank facilities financing thirteen vessels was USD 223 million as of the Restructuring and the total outstanding debt relating to the bank facilities financing four vessels was USD 107 million as of the Restructuring. The book value for the thirteen vessels was USD 284 million and the book value for the four vessels was USD 183 million as per September 30, 2012. The market value based on broker valuations was USD 218 million for the thirteen vessels and USD 116 million for the four vessels as per September 30, 2012. The average age of the thirteen vessels was ten years and the average age of the four vessels was one year as of the Restructuring.

To the extent that any vessels are sold under the options, TORM will seek to maintain the vessels' association with the Company. See "Part I – 22. Material contracts" for a description of TORM's Financing Agreements entered into with the Secured Lenders in connection with the Restructuring and for a description of the treatment of outstanding debt under the relevant facility relating to the vessels sold.

Restructuring of charter-in contracts
The Time Charter-in Counterparties accepted as part of the Restructuring that the then existing time charter-in and bareboat contracts were either changed and that rates were aligned to market rates as per March 2012 or allowed for termination of the contracts with redelivery of vessels. These amendments resulted in a significant reduction of the Company's future time charter and bareboat commitments. TORM estimates that the changes in time charter and bareboat contracts corresponded to a total positive mark-to-market impact on TORM of approximately USD 270 million measured as the nominal difference between the originally contractually agreed rates and the reference market rate as per per March 2012. TORM has as part of the Restructuring Agreement redelivered or undertaken to redeliver 22 vessels to the Time Charter-in Counterparties and has cancelled four agreements for charter of vessels under construction.

Private Placement
Pursuant to the terms of the Restructuring Agreement and related agreements, the Secured Lenders and Time Charter-in Counterparties received a consideration for the Super Senior Working Capital Facility, the changes to the Company's Pre-Restructuring Debt Facilities and the changes and certain releases and waivers in relation to the Time Charter-in Counterparty contracts consisting of a restructuring fee and agreed debt of approximately USD 200 million in aggregate which was converted into the Listing Shares upon completion of the Restructuring.

The Listing Shares were issued to the Secured Lenders and the Time Charter-in Counterparties in a Private Placement of 655.2 million Listing Shares on November 5, 2012 at a subscription price of DKK 1.79 resulting in a new shareholder structure of the Company where the Pre-Restructuring Shareholders retained 10% ownership of TORM, the Secured Lenders (or their assignees) obtained 72.8% ownership, and the Time Charter-in Counterparties (or their assignees) obtained 17.2% ownership. The distribution of the Listing Shares was separately agreed between the Secured Lenders and the Time Charter-in Counterparties and was part of the Restructuring Agreement.

The issuance of the Listing Shares took place pursuant to an authorization granted to the Board of Directors at the annual general meeting on April 23 2012. At the meeting, the Board of Directors was authorized to increase the share capital by issuance of new shares at a rate discounted to the market

price against payment in cash, conversion of debt or contribution of assets other than cash without pre-emptive subscription rights for the existing shareholders.

As stated in company announcement no. 31 dated October 2, 2012, TORM retained the assistance of the international, financial advisor Evercore Group LLC in connection with the Restructuring. In addition, the Board of Directors obtained a valuation opinion letter from the international investment advisor Moelis and Company UK LLP and a valuation report from the accounting firm Ernst & Young PS with respect to the debt conversion and the issue of the Listing Shares to the Secured Lenders and Time Charter-in Counterparties. Having carefully considered the financial and operational position of the Company and the opinion letter from Moelis and Company UK LLP, it was the Board of Directors' assessment that it was in the best interests of the Company, its shareholders, creditors, other stakeholders and other interested parties to issue the Listing Shares against conversion of the consideration of USD 200 million from Secured Lenders and the Time Charter-in Counterparties to allow TORM to continue its operations without an in-court reconstruction or similar proceedings.

The Listing Shares issued in connection with the Restructuring and the Private Placement is expected to be admitted for trading and official listing on NASDAQ OMX Copenhagen following the publication of this Listing Prospectus under the existing ISIN code on December 10, 2012.

See "Part I – 22. Material contracts" for further details of the Financing Agreements and "Part I – 9.2 Accounting effects from the Restructuring" for a description of the accounting impact of the Restructuring Agreement.

Changes to the legal group structure
Pursuant to the terms of the Restructuring Agreement, TORM has made substantial changes to the legal group structure of the Company, aligning the corporate structure for the individual loan facilities. This involved the transfer of vessels to separate legal entities in Denmark and Singapore, which together with other assets (including shares in entities holding vessels, insurance proceeds and income from certain vessels) were pledged to the Secured Lenders. All legal entities holding vessels are ultimately owned by TORM.

6.1.3. Business strategy

Strategy plan
TORM most recently formulated a strategy in 2010 in order to cope with the new market environment characterised by historically low freight rates and industry earnings. The aim of this strategy is to balance TORM's business optimally and to ensure TORM's ability to better cope with the cyclical nature of the market. Furthermore, the strategy seeks to optimise earnings with a flexible approach between trading and ship owning activities. To support these activities, TORM intends to further develop the strategic risk management approach to monitor risk and return profiles.

The strategy builds on four cornerstones: Customers, Leadership, Resilience and Sophistication.

Customers – bringing the customers in focus
TORM has defined a new joint customer value proposition for the Tanker and Bulk Divisions centered on the customers' needs and requirements for quality. With the new value proposition TORM aims to offer best-in-class commercial operations, consistently exhibit superior customer handling and setting the industry standards for quality and Health, Safety, Security and Environment.

Leadership – striving for excellence
TORM strives for excellence in leadership and operating efficiently as one global company. The Company continuously encourages employees to entrepreneurship in order to deliver professional service to the customers as well as to attract and retain employees from a global talent pool.

Resilience – the road ahead through challenging times
TORM intends to be leading on efficiency and cost competitiveness, e.g. on operational cost per vessel day in the annual peer group benchmarking. TORM pursues this aim without compromising quality.

Sophistication – an accelerated approach to structures and processes
Through people and performance management, TORM intends to develop a more sophisticated level of delivery and processes.

In addition to the overall Company strategy, TORM has a specific strategy for its operations in the product tanker segment and the dry bulk segment respectively.

Product tanker segment
TORM's business model in this segment centers on its continued presence in the spot market. This will allow the Company to take advantage of the anticipated volatility. In the short term, TORM will not seek higher coverage than the current levels, as the Company is of the opinion that there is an upside potential in the market. However, TORM will seek to take coverage if market conditions provide attractive rate levels.

TORM will continue to strengthen the service offered to customers around quality, flexibility and proximity. For instance, TORM strives to be a carrier approved by all oil majors at all times, thus securing optimal trading flexibility and profitability. During 2011, TORM improved its performance on this objective by five percentage points and thereby reached its internal target.

Bulk segment
TORM will continue its strategy of becoming an integrated freight service provider to primarily industrial customers. During 2011, TORM built a scalable and flexible organization offering improved services, which Management believes has already created a number of new and strong customer relations.

Going forward, TORM holds a cautious view on the dry bulk markets. Therefore, the Company will minimize market risk by maintaining a high coverage for 2012 and intends to gradually increase cover for 2013. The coverage will be achieved by reletting the time chartered-in fleet, concluding contracts of affreightment (COAs) and forward freight agreements (FFAs).

Liquidity initiative
Due to the uncertainty surrounding the Company in 2011 and 2012, TORM has spent significant resources to secure a sustainable solution regarding its capital structure and liquidity position.

TORM has implemented initiatives in order to lower its cost base. Specifically, the Company has reduced its voyage costs significantly, and implemented operational and administrative cost initiatives such as increased focus on efficiencies and optimization gains, cost control measures and reductions in the land based organization. The total savings over a three year period of the cost reduction initiatives is expected to be approximately USD 100 million.

On top of the cost reductions, the Company has eliminated its remaining newbuilding programme through the sale of two Panamax bulk newbuildings and cancellation of two MR product tanker newbuildings providing CAPEX savings of USD 128 million.

Current situation
Following the completion of the Restructuring, the Company will focus its efforts on pursuing the strategy plan within the newly imposed restrictions under the Financing Agreements. A new board of directors may modify the existing strategy following election at the extraordinary general meeting to be convened after publication of this Listing Prospectus. See "Part I – 21.7 Extraordinary general meeting".

6.1.4. Business areas
TORM's operations are divided in two divisions, the Tanker Division and the Bulk Division. The Tanker Division is responsible for the Company's tanker activities primarily engaged in the transportation of refined oil products such as gasoline, jet fuel, kerosene, naphtha, gas oil and fuel oil, but occasionally also carry crude oil. The Bulk Division is responsible for the Company's drybulk activities that transport dry products such as coal, iron ore, grain and minerals. The Tanker Division is the largest division accounting for approximately 70% of TCE earnings in 2011 and 80% of TCE earnings in the

nine months ended September 30, 2012.

Table 1: Time charter equivalent earnings by division

	2009	%	2010	%	2011	%	Q1 - Q3 2012	%
TCE earnings (USD million)								
Tanker Division	520	82%	473	84%	453	70%	293	80%
Bulk Division	113	18%	88	16%	191	30%	71	20%
Total	**633**	**100%**	**561**	**100%**	**644**	**100%**	**364**	**100%**

Source: TORM

TORM has one geographical segment, as the Company sees the global market as one market and vessels are not limited to specific geographical markets. Accordingly the Company has developed strong relationships with and services customers worldwide. In 2011 and the first nine months of 2012, the top ten customers accounted for 35% and 45% of the revenue, respectively.

TORM has a fleet of 78 product tankers divided between 64 owned, 2 held under financial lease and 12 chartered-in on long-term contracts as of the Listing Prospectus Date. In addition, another 19 product tankers are either in pool or under commercial management with TORM. The Company's drybulk fleet consists of two owned Panamax drybulk vessels and 9 chartered-in vessels on long-term contracts. In addition 19 dry bulk vessels are chartered-in on short term contracts. Based on broker valuations, TORM's owned fleet excluding financial lease vessels had a market value of USD 1,316 million as of September 30, 2012.

Table 2: Vessels owned[1] as of the Listing Prospectus Date

Vessels	No. of Vessels	Average Age	Average dwt	Aggregate dwt
Owned				
Product tankers				
LR2	9	8.4	105,052	945,464
LR1	7	7.4	74,021	518,150
MR	39	6.7	47,949	1,869,994
Handysize	11	9.0	36,620	402,824
Total Product Tankers	**66**	**7.4**	**56,613**	**3,736,432**
Drybulk				
Panamax	2	8.0	75,054	150,107
Handymax	-	-	-	-
Total Drybulk	**2**	**8.0**	**75,054**	**150,107**
Total	**68**	**7.4**	**57,160**	**3,886,867**

Note: (1) Including finance leases
Source: TORM

Table 3: Vessels chartered in[1] as of the Listing Prospectus Date

Time chartered-in with contract periods of more than 12 months[3]	No. of Vessels	To be re-delivered[2]
Product tankers		
LR2	2	-
LR1	6	4
MR	4	-
Handysize	-	-
Total Product Tankers	**12**	**4**
Drybulk		
Panamax	8	-
Handymax	1	-
Total Drybulk	**9**	-
Time chartered-in with contract periods of less than 12 months[3]		
Product tankers		
LR2	-	-
LR1	-	-
MR	-	-
Handysize	-	-
Total Product Tankers	-	-
Drybulk		
Panamax	12	-
Handymax	7	-
Total Drybulk	**19**	**-**

Note: (1) Including vessels held under operating leases, (2) Redelivery as part of the Restructuring, (3) Duration at the date of conclusion of the charter contract
Source: TORM

The fleet of product tankers owned or held under finance lease counts 9 LR2, 7 LR1, 39 MR and 11 Handysize product tankers with an aggregate carrying capacity of approximately 3.7 million dwt and an average age of approximately 7.4 years.

Table 4: Product tanker fleet as of the Listing Prospectus Date

LR2	Flag	Year built	Dwt
TORM HELENE	Denmark	1997	99,999
TORM KRISTINA	Denmark	1999	105,001
TORM GUDRUN	Denmark	2000	101,122
TORM INGEBORG	Denmark	2003	99,999
TORM VALBORG	Denmark	2003	99,999
TORM MARINA	Norway	2007	109,672
TORM MARGIT[1]	Singapore	2007	110,000
TORM MAREN	Denmark	2008	110,000
TORM MATHILDE	Denmark	2008	110,000

LR1	Flag	Year built	Dwt
TORM SARA	Singapore	2003	72,718
TORM ESTRID	Denmark	2004	74,999
TORM EMILIE	Denmark	2004	74,999
TORM ISMINI	Denmark	2004	74,999
TORM SIGNE	Singapore	2005	72,718
TORM SOFIA	Singapore	2005	72,718
TORM VENTURE	Norway	2007	74,999

MR	Flag	Year built	Dwt
TORM GUNHILD	Denmark	1999	44,999
TORM ANNE	Singapore	1999	44,990
TORM NECHES	Singapore	2000	47,052
TORM CLARA	Denmark	2000	45,999
TORM CECILIE	Denmark	2001	44,946
TORM AMAZON[1]	Denmark	2002	47,052
TORM SAN JACINTO	Denmark	2002	47,038
TORM MARY	Denmark	2002	45,990
TORM VITA	Denmark	2002	45,940
TORM CAROLINE	Denmark	2002	44,946
TORM GERTRUD	Denmark	2002	45,940
TORM GERD	Denmark	2002	45,940
TORM THYRA	Denmark	2003	45,990
TORM FREYA	Denmark	2003	45,990
TORM MOSELLE	Denmark	2003	47,024
TORM ROSETTA	Denmark	2003	47,015
TORM CAMILLA	Denmark	2003	44,990
TORM CARINA	Denmark	2003	44,990
TORM HORIZON	Denmark	2004	46,955
TORM HELVIG	Denmark	2005	44,990
TORM RAGNHILD	Denmark	2005	44,990
TORM THAMES	Denmark	2005	47,035
TORM KANSAS	Denmark	2006	46,922
TORM REPUBLICAN	Denmark	2006	46,893
TORM PLATTE	Denmark	2006	46,920
TORM LAURA	Denmark	2008	52,000
TORM LENE	Denmark	2008	52,000
TORM LOTTE	Denmark	2009	52,000
TORM LOUISE	Denmark	2009	52,000
TORM LILLY	Denmark	2009	52,000
TORM ALICE[2]	Denmark	2010	50,500
TORM ASLAUG[2]	Denmark	2010	50,500
TORM ALEXANDRA	Denmark	2010	50,500
TORM AGNETE	Denmark	2010	50,500
TORM ALMENA[2]	Singapore	2010	50,500
TORM AGNES[2]	Singapore	2011	50,500

TORM AMALIE[2]	Singapore	2011	50,500
TORM ARAWA	Singapore	2011	52,300
TORM ANABEL	Singapore	2012	52,300

Handysize	**Flag**	**Year built**	**Dwt**
TORM MADISON	Denmark	2000	35,828
TORM TRINITY	Denmark	2000	35,834
TORM RHONE	Denmark	2000	35,751
TORM CHARENTE	Denmark	2001	35,751
TORM OHIO	Denmark	2001	37,274
TORM LOIRE	Denmark	2004	37,106
TORM GARONNE	Denmark	2004	37,178
TORM SAONE	Denmark	2004	37,106
TORM FOX	Denmark	2005	37,006
TORM TEVERE	Denmark	2005	36,990
TORM GYDA	Denmark	2009	37,000

Note: (1) TORM MARGIT and TORM AMAZON are held under finance lease. TORM MARGIT will be redelivered December 2012; (2) The lenders under the bank facilities financing TORM Agnes, TORM Alice, TORM Almena, TORM Amalie og TORM Aslaug have exercised their option pursuant to the Framework Agreement and these vessels are thus subject to a sales proces
Source: TORM

TORM's owned drybulk fleet consists of two Panamax drybulk vessels with an aggregate carrying capacity of approximately 150,107 dwt and an average age of eight years.

Table 5: Drybulk fleet as of the Listing Prospectus Date

Panamax	**Flag**	**Year built**	**Dwt**
TORM ANHOLT	Singapore	2004	74,195
TORM BORNHOLM	Singapore	2004	75,912

Source: TORM

All of TORM's owned vessels and vessels held under financial lease are financed through the Financing Agreements described in further detail in "Part I – 22. Material contracts".

Tanker Division
TORM is active in all segments of the product tanker market ranging from Handysize to LR2. The Company has an extensive set-up with an organisation taking care of most functions within both commercial and technical management.

TORM's coverage in the Tanker Division as of September 30, 2012 for 2012 is 15% and 6% for 2013. The low coverage is in accordance with TORM's strategy and would allow the Company to benefit from a potential market recovery.

Table 6: Covered and time chartered-in days in the Tanker Division as of September 30, 2012 (including the effects of the Restructuring)

	2012	2013	2014	2012	2013	2014
	Owned days					
LR2	799	2,824	2,904			
LR1	637	2,509	2,509			
MR	3,427	14,037	14,075			
Handysize	1,001	3,975	3,944			
Total	*5,864*	*23,344*	*23,432*			
	T/C in days at fixed rate			*T/C in costs, (USD/day)*		
LR2	-	-	-	-	-	-
LR1	785	75	-	17,914	11,000	-
MR	242	1,049	726	13,188	14,046	15,145
Handysize	-	-	-	-	-	-
Total	*1,027*	*1,124*	*726*	*16,800*	*13,843*	*15,145*
	T/C in days at floating rate					
LR2	182	726	725			
LR1	-	-	-			
MR	91	363	363			
Handysize	-	-	-			
Total	*273*	*1,089*	*1,088*			
	Total physical days			*Covered days*		
LR2	981	3,550	3,629	176	391	337
LR1	1,422	2,584	2,509	236	365	175
MR	3,760	15,449	15,164	634	743	-
Handysize	1,001	3,975	3,944	30	-	-
Total	*7,164*	*25,557*	*25,246*	*1,076*	*1,499*	*512*
	Covered %			Coverage rates (USD/day)		
LR2	18%	11%	9%	15,687	16,650	16,617
LR1	17%	14%	7%	14,228	15,666	15,666
MR	17%	5%	0%	13,759	13,932	-
Handysize	3%	0%	0%	5,378	-	-
Total	*15%*	*6%*	*2%*	*13,944*	*15,063*	*16,292*

Fair value of freight rate contracts that are mark-to-market in the income statement (USD million):
Contracts not included above: 0.0
Contracts included above: -0.1
Note: Actual number of days can vary from projected number of days primarily due to vessel sales and delays of vessel deliveries. T/C in days at fixed rate do not include effects from profit split arrangements. T/C in days at floating rate determine rates at entry of each quarter, and then TORM will receive approx. 10% profit/loss compared to this rate
Source: TORM

Management believes, that TORM as one of the world's largest product tanker owners, enjoys significant scale advantages leading to earnings above the general benchmark routes with respect to vessels employed in the spot market. As illustrated in the table below, TORM has consistently earned total average spot market rates above benchmarks routes over the last seven quarters.

Table 7: TORM's achieved spot market rates compared to benchmark routes

Vessl type	USD/day	Q1 2011	Q2 2011	Q3 2011	Q4 2011	Q1 2012	Q2 2012	Q3 2012
LR2	TORM[1]	10,890	10,612	10,836	11,959	10,814	10,206	13,581
	Benchmark[2]	8,420	12,988	13,214	6,858	3,003	7,918	13,297
	TORM vs. Benchmark	29%	-18%	-18%	74%	260%	29%	2%
LR1	TORM[1]	14,435	15,174	9,841	7,678	12,515	11,237	13,512
	Benchmark[3]	7,081	9,467	9,196	5,106	2,534	9,551	12,753
	TORM vs. Benchmark	104%	60%	7%	50%	394%	18%	6%
MR	TORM[1]	12,760	15,315	11,749	14,080	14,363	11,510	10,612
	Benchmark[4]	11,936	14,510	6,674	11,351	12,602	8,959	5,500
	TORM vs. Benchmark	7%	6%	76%	24%	14%	28%	93%
Total average	*TORM*	*12,695*	*13,700*	*10,809*	*11,239*	*12,564*	*10,984*	*12,568*
	Benchmark	*9,146*	*12,322*	*9,695*	*7,772*	*6,047*	*8,809*	*10,517*
	TORM vs. Benchmark	*39%*	*11%*	*11%*	*45%*	*108%*	*25%*	*20%*

(1) Spot rates = Average TCE Earnings per earnings day for all charters with less than six months duration = Gross freight income less bunker, broker commissions and port expenses
(2) Ras Tanura Chiba Clean 75K average earnings
(3) Ras Tanura Chiba clean 55K average earnings
(4) Rotterdam New York clean 37K average earnings
Note: Data available on spot market rates for Handysize vessels are inadequate
Source: Clarksons and TORM

Strategic partnerships
The Tanker Division will consider to (i) enter into strategic partnerships with a few selected vessel owners if they complement TORM's business and matches TORM's service level, customer reach, quality and market approach, and (ii) provide commercial management for smaller players that do not have the size to operate on a stand-alone basis.

As of the Listing Prospectus Date, TORM has one strategic partnership with Maersk Tankers (LR2 Management K/S) operating 30 LR2 product tankers, of which 9 are owned by TORM.

Customers
Many of TORM's largest customers in the Tanker Division are companies operating in the oil industry. TORM has developed strong relationships with its customers.

Competition
TORM operates in markets that are highly competitive and based primarily on supply and demand. The Company competes for charters on the basis of price, vessel location, size, age and condition of the product tankers, as well as on TORM's reputation as an operator. TORM competes primarily with owners and operators of tankers in the Hanydsize, MR, LR1 and LR2 segments. Management believes that the ownership of tanker vessels is fragmented and divided among major oil companies and independent tanker owners.

Bulk Division
TORM is active in the Panamax and Handymax segments of the drybulk market.

In the Bulk Division TORM has as a target of covering a major part of the owned and long-term chartered fleet owing to the Company's cautious view on the dry bulk markets. As of September 30, 2012, TORM's coverage in the Bulk Division for 2012 and 2013 is 103% and 57% respectively.

Table 8: Covered and time chartered-in days in the Bulk Division as of September 30, 2012 (including the effects of the Restructuring)

	2012	2013	2014	2012	2013	2014
		Owned days				
Panamax	180	726	694			
Handymax	-	-	-			
Total	*180*	*726*	*694*			
	T/C in days at fixed rate			*T/C in costs, (USD/day)*		
Panamax	573	1,964	1,817	14,216	12,880	12,386
Handymax	339	-	-	12,509	-	-
Total	*912*	*1,964*	*1,817*	*13,518*	*12,880*	*12,386*
	T/C in days at floating rate					
Panamax	91	726	411			
Handymax	147	363	363			
Total	*238*	*1,089*	*774*			
	Total physical days			*Covered days*		
Panamax	844	3,416	2,922	1,007	990	25
Handymax	486	363	363	365	1,167	869
Total	*1,330*	*3,779*	*3,285*	*1,372*	*2,157*	*895*
	Covered %			Coverage rates (USD/day)		
Panamax	119%	29%	1%	11,387	15,380	20,436
Handymax	75%	321%	240%	8,781	13,978	16,725
Total	*103%*	*57%*	*27%*	*10,694*	*14,621*	*16,831*

Fair value of freight rate contracts that are mark-to-market in the income statement (USD m):
Contracts not included above: 0.0
Contracts included above: 6.6
Note: Actual number of days can vary from projected number of days primarily due to vessel sales and delays of vessel deliveries. T/C in days at fixed rate do not include effects from profit split arrangements. T/C in days at floating rate determine rates at entry of each quarter, and then TORM will receive approx. 10% profit/loss compared to this rate.
Source: TORM

Customers
The customers are generally large, reputable customers well-known to TORM and risk is monitored on a structured and conceptual basis internally by TORM to ensure good governance. Contracts include spot activity, short-term contracts of up to three months, and long-term contracts for up to several years.

Competition
The drybulk market is very fragmented and is furthermore characterised by a large proportion of operating companies and industrial companies with their own chartering activity such as mining and energy companies. Management believes that the drybulk market is highly competitive and is based on supply and demand dynamics. Operators in the drybulk business compete on the basis of service, price, vessel location, size, age and condition of the vessel as well as the reputation of the operator.

Charter Contracts
TORM's vessels are employed through a variety of different charter contracts distinguished by the degree of control of the vessels. See, "Part I – 6.2.3 Contract types for the employment of product tankers and drybulk vessels" for a description of the types of charter contracts in the market where TORM operates.

TORM's charter contracts include voyage charters, time charters, bareboat charters and COAs. Depending on the type of charter the contract will set out the terms of the engagement, including the charter price or freight rate, and whether TORM or the charterer will be responsible for (i) the operation of the vessel, (ii) payment of the voyage and operating costs, (iii) crewing of the vessel, (iv)

delay at the loading and discharging at ports, and (v) loss suffered as a result of the vessel breaking down or otherwise becoming less than fully operational.

6.2 The market

The shipping industry provides the most practical and cost effective means of transporting large volumes of cargo over international trade routes. The industry is comprised of a number of segments dependent on the cargo shipped. Segments include among others the tanker segment (carrying crude oil, refined oil products and chemical products) and the drybulk segment (carrying primarily iron ore, grain and coal). The tanker segment can further be divided into the crude tanker segment and product tanker segment. Each of these segments are cyclical in varying degree, experiencing fluctuations in freight rates and vessel values. Freight rates and vessel values are primarily the result of the supply of, and demand for, vessel capacity which fluctuates significantly mainly due to changes in the level and pattern of the global economic activity.

The supply of vessel capacity and the development of supply is measured by the amount of suitable vessel capacity available to carry cargo, and is determined by the size of the existing fleet in a particular shipping segment, the number of newbuildings on order, the scrapping of older vessels and the number of vessels out of active service (i.e. laid-up, drydocked, or otherwise not available for hire) or in port congestion. In addition to prevailing and anticipated freight rates, factors that affect the rate of newbuildings, scrapping and laying-up include newbuilding prices, steel prices, yard capacity, vessel operating costs, availability of financing and costs associated with compliance with environmental and other global regulatory requirements.

Demand for vessels is primarily determined by the quantity of cargo to be transported and the distance from origin to destination.

The supply and demand dynamics in the different segments within the shipping industry, while correlated, behave independently and are governed by different macroeconomic drivers. Vessels are designed to operate in a specific shipping segment, and do generally not compete with vessels operating in another segment.

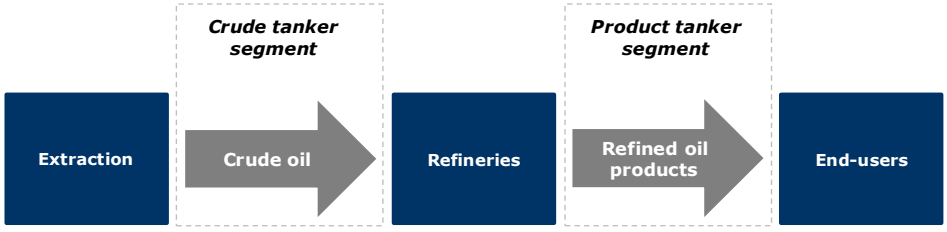
6.2.1 The product tanker segment

Introduction

The tanker segment provides transportation of crude and refined oil products from point of extraction to refineries and finally to the end-user markets. Crude tankers carry crude oil from point of extraction to refineries whereas product tankers carry refined products from refineries to the end-user markets.

In addition to this, the tanker segment provides transportation of chemical products.

Figure 2: Product tankers' position in the value chain



Source: TORM

Product tankers carry refined oil products such as:

- Gasoline

- Jet fuel
- Kerosene
- Naphtha
- Diesel oil
- Fuel oil

The product tanker market is dominated by oil traders, oil companies, vessel operators, pool companies and independent ship owners and is relatively fragmented. Management estimates that TORM has one of the world's largest product tanker fleets measured by the number of owned vessels as of the Listing Prospectus Date. End users are mainly oil companies, oil traders, petrochemical companies, government agencies and power plants.

The quality of product tanker vessels and operations has improved over the past several years, as charterers and regulators have focused on safety and protection of the environment. Legislation, regulations, protocols and classification society procedures and regulatory organizations, such as the OPA and the IMO, have demanded higher-quality product tanker construction, maintenance, repair and operations. Charterers of all types are selective in their acceptance of product tankers and inspect both vessels and companies on a periodic basis. Although these changes have imposed costs and potential liabilities on product tanker owners and operators, they have also raised barriers to entry and favored ship owners with high quality, young fleets and operations. Limitations imposed by port states and the IMO on trading of older single-hull vessels have accelerated the commercial obsolescence of older, poor-quality product tankers.

Vessel categories
It is common in various shipping segments to distinguish vessels based on size, normally measured in dwt. The following vessel categories are normally used in the product tanker segment:

Table 9: Product tanker categories

Vessel categories	Dwt	Primary products	Primary routes
Small Tankers	10,000 – 24,999	Various refined product	Coastal trades
Handysize	25,000 – 39,999	Various refined products	Coastal trades
Medium Range (MR)	40,000 – 55,000	Gasoline and diesel	Regional trades
Long Range 1 (LR1)	70,000 – 99,999	Various refined products	Middle East Gulf to the Far East
Long Range 2 (LR2)	100,000+	Naphtha	Middle East Gulf to the Far East

Source: TORM

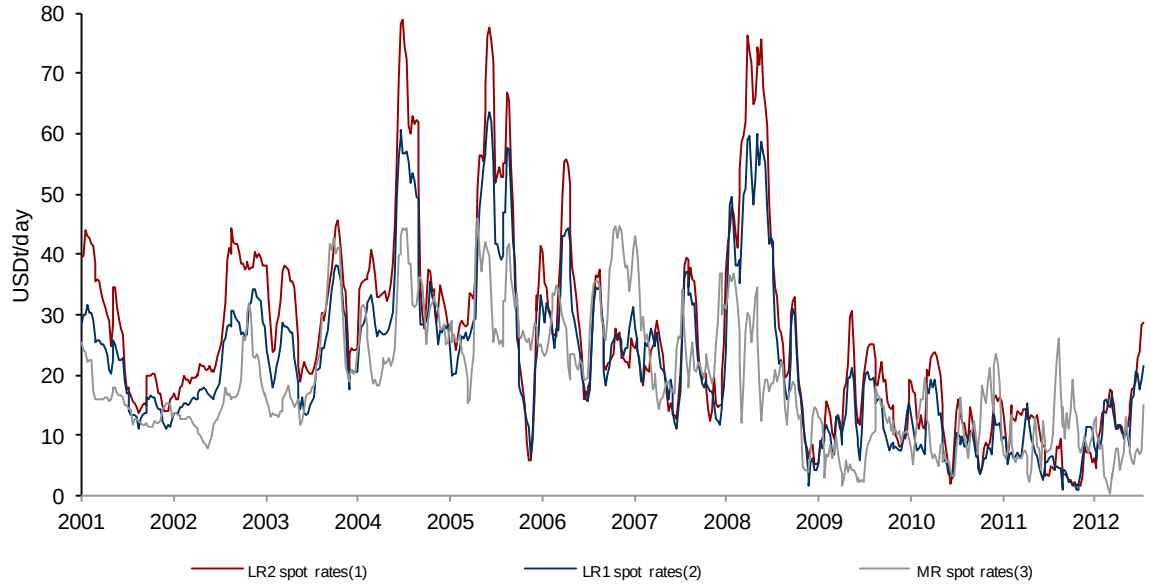
TORM operates vessels within the Handysize, MR, LR1 and LR2 segments.

Depending on the size of the product tanker, it provides the operator with different advantages. The Long Range 1 ("LR1") and Long Range 2 ("LR2") tankers provide an operator with greater economies of scale, whereas the Handysize and Medium Range ("MR") tankers provide an operator with greater flexibility to enter more ports and thereby routes.

Although product tankers can carry both crude oil and refined oil products, they mostly carry refined oil products and generally do not switch due to strict cleaning requirements for prevention of contamination. Crude tankers do not have the opportunity to switch into refined oil products, as they generally do not have a coating protecting the tanks against corrosive cargo.

Freight rates
Rates earned by product tankers are influenced by a number of factors, including the state of the global economy. Since the global economic slowdown the demand for product tanker services has been weak compared to the record number of newbuildings and the rates has been pushed down to a record low level in the period 2009 to 2012. Rates have been under pressure in the period up until the Listing Prospectus Date, however, there have been temporary spikes.

Figure 3: Development in product tanker spot rates



(1) Ras Tanura Chiba Clean 75K average earnings
(2) Ras Tanura Chiba clean 55K average earnings
(3) Rotterdam New York clean 37K average earnings
Note: 2012 figures as of November 30, 2012
Source: Industry research

The table below states the average annual spot rates for key benchmark routes for the individual vessel segments. Freight rates can, however, differ significantly within each vessel segment depending on the route and cargo. The MR product tankers have seen a slight increase in average freight rates in 2010 to 2012 Q3 compared to 2009, whereas average freight rates for LR1 and LR2 tankers have decreased for the same period.

Table 10: Average annual product tanker spot rates (USDt/day) as of September 2012

Vessel category	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012 Q1-Q3
Market benchmarks (Average annual product tanker spot rates (USDt/day))												
LR2(1)	40.3	19.9	32.7	41.4	42.1	31.9	23.7	41.3	16.5	14.5	10.5	8.1
LR1(2)	30.1	16.1	24.5	34.2	35.5	28.3	24.2	34.9	13.6	10.8	7.8	8.3
MR(3)	21.3	12.5	18.3	29.5	29.9	27.6	28.8	24.7	8.5	10.5	11.0	9.0

(1) Ras Tanura Chiba clean 75K average earnings
(2) Ras Tanura Chiba clean 55K average earnings
(3) Rotterdam New York clean 37K average earnings
Note: 2012 figures as of September 30,2012. Data on Handysize tankers is not available
Source: Industry research

In general, since the smaller product tankers such as Handysize and MR provide larger flexibility in terms of routes and cargo and ability to enter more ports, demand for such smaller product tankers tends to be less volatile compared to the demand for larger product tankers, such as LR1 and LR2, which are only suitable for certain routes and cargo due to their size. As a result, freight rates for smaller product tankers tend to show less fluctuation compared to larger product tankers.

Supply and demand for product tankers
The supply of, and demand for, product tanker capacity drive freight rates and vessel values.

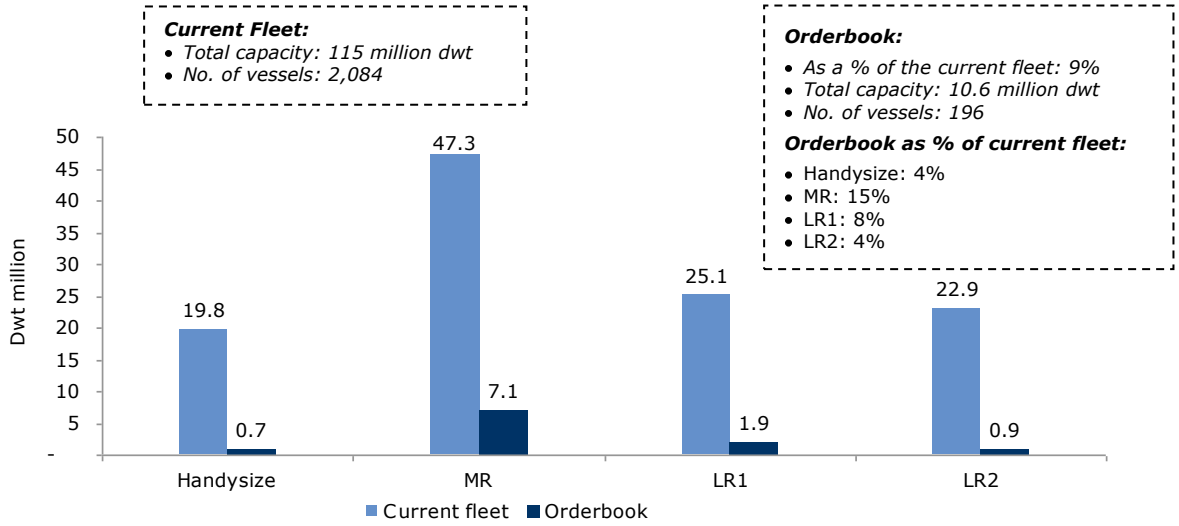
Supply
The supply of product tankers and the development of supply is measured by the amount of vessel capacity available to carry cargo, and is determined by the size of the existing fleet in the product tanker segment, the number of newbuildings on order, the scrapping of older product tankers and the number of product tankers out of active service (i.e., laid-up, drydocked, or otherwise not available for

hire) or in port congestion. Factors affecting the supply and growth of the product tanker fleet include:

- The number of newbuildings on order and being delivered
- Number of vessels used for floating storage
- The number of product tankers in lay-up
- The number of product tankers scrapped for obsolescence or subject to casualties
- Prevailing and expected future charter hire rates
- Costs of bunkers, fuel oil, and other operating costs
- The efficiency and age of the world product tanker fleet
- Shipyard capacity
- Port congestion and canal congestion
- Government and industry regulation of maritime transportation practices, particularly environmental protection laws and regulations

Based on industry research the total global product tanker fleet capacity at September 2012 was of 115 million dwt. The MR segment accounted for the largest part of the product tanker fleet.

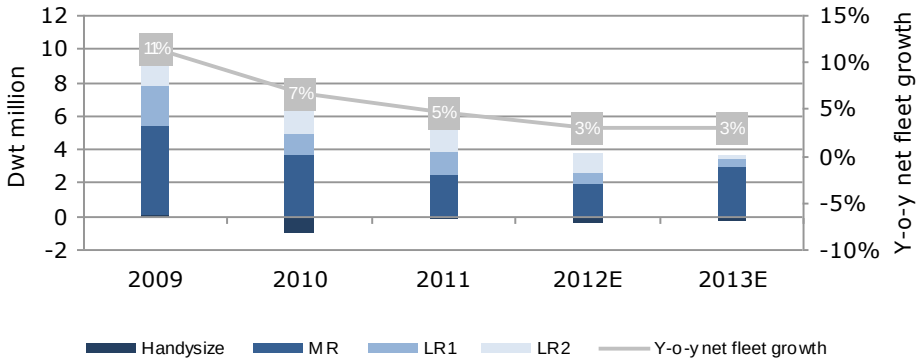
Figure 4: Global product tanker fleet and orderbook (dwt million) as of September 2012



Vessel definitions used in above table: Handysize (27-41,999 dwt), MR (42-59,999 dwt), LR1 (60-84,999 dwt) and LR2 (84 – 119,999 dwt)
Source: Industry research

The global product tanker fleet has increased in recent years as the strong economic growth prior to 2008 led to significant investments in newbuildings. However, the economic slowdown combined with deteriorating freight rates have led to a significant decrease in orders. As a result, the year-on-year growth in the product tanker fleet is expected to decline in the coming years. Based on industry research the orderbook at September 2012 totaled 10.6 million in dwt corresponding to 9% of the total fleet, which is estimated to be significantly lower compared to other major shipping segments: drybulk (18%), crude tanker (13%) and container (22%).

Figure 5: Expected net fleet growth in product tankers update as of September 2012



Note: Numbers in the figure do not take into account the effect of cancellations or new orders. In addition to the numbers in the figure, there are also currently orders in place for delivery in 2014.
Vessel definitions used in above table: Handysize (27-41,999 dwt), MR (42-59,999 dwt), LR1 (60-84,999 dwt) and LR2 (84 – 119,999 dwt).
Source: Industry research

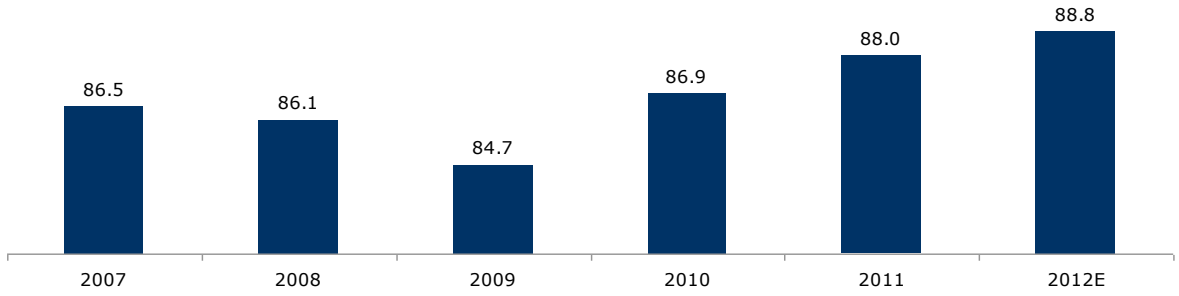
Management expects that not all product tankers on shipyards' orderbooks will be delivered, mainly due to lack of available financing and financial incentives to cancel orders based on low current vessel valuations. Besides orderbook cancellations, significant slippage, or vessel delivery delay, continues to impact global product tanker supply. Furthermore, a phase-out of product tankers is expected as lower freight rates are pushing vessels with higher operating costs to the scrap yards. In addition, single-hull vessels are in the process of being scrapped, as legislative phase-out requirements have been in place from 2010. However, there is currently excess yard capacity available for additional newbuilds and this, combined with the recent introduction of eco-designed vessels, which reduces fuel consumption and thereby the impact on environment, may increase the global product tanker fleet.

Demand
Demand for product tankers is primarily determined by the quantity of cargo to be transported and the distance from origin to destination. The demand is affected by a number of external factors including:

- World and regional economic conditions
- Oil demand
- Oil price curve (influencing the level of floating storage)
- Product imbalances (affecting the level of trading activity)
- The regulatory environment
- Environmental issues and concerns
- Developments in international trade
- Climate
- Competition from alternative energy sources
- Armed conflicts

The global oil consumption decreased in 2008 and 2009 compared to 2007 as a consequence of the global economic slowdown combined with historically high oil prices. In 2010 and 2011, the global oil consumption has increased towards pre-economic crisis levels reaching a demand of 87.8 million barrels per day ("bpd") in 2011. According to industry research, oil demand is expected to grow by 0.9% in 2012 compared to 2011 and reach 88.8 million bpd.

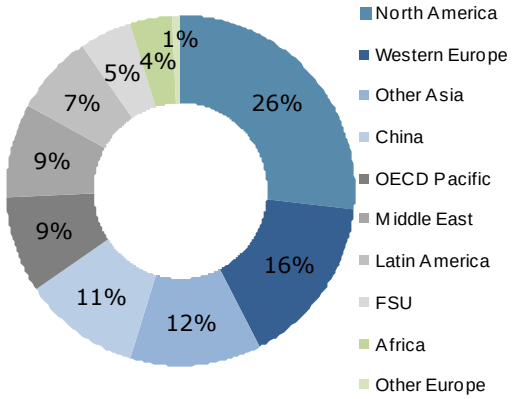
Figure 6: Global oil demand (bpd million)



Source: Industry research

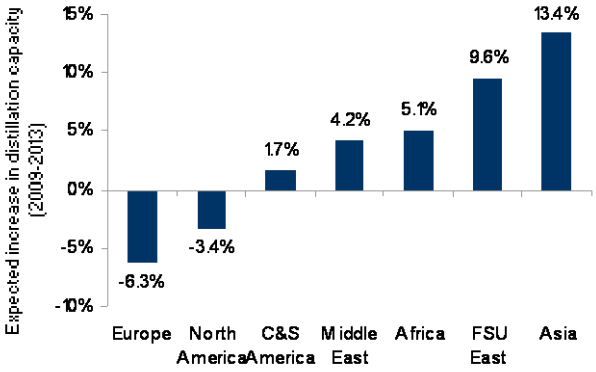
The production of refined oil products is undergoing a structural shift. The distance between points of production and points of consumption of refined oil products is expected to increase and be a driver of product tanker demand. Historically, large crude tankers, such as Very Large Crude Carriers, were used to transport oil from their supply locations to refineries, which were typically constructed close to the demand locations. Increasingly, refineries located close to source of demand, e.g. in the U.S. or Western Europe, are uncompetitive relative to newer, lower-cost refineries located in export-oriented economies such as India and the Middle East. To illustrate, in the period from 2009 to 2013 the refinery capacity in Asia and the FSU East is expected to increase by 13.4% and 9.6%, respectively, compared to Europe and North America where there is expected a decline in refinery capacity of 6.3% and 3.4%, respectively.

Figure 7: Estimated world oil consumption in 2012



Source: Industry research

Figure 8: Estimated world refinery capacity added by region from 2009 to 2013



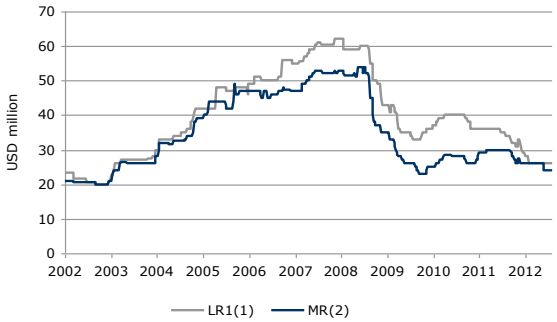
Source: Industry research

Based on industry research, Management expects that a large proportion of the increased refinery capacity in Asia and the Middle East will be used for exports for the U.S. and European markets. As a result, an increasing proportion of refined products are expected to be transported in seaborne trade to reach its end markets. The increase in both the quantity of refined oil products to be transported and the distance from point of production to point of consumption is in the industry as the "ton-mile growth" effect.

Since demand for product tankers is strongly correlated with the demand for oil products, demand for product tankers may rise during cold winter months, and fall during warm summer months in the Northern hemisphere. The sesonality may be further supported by maintenance on refineries. However, these effects vary from year to year and as such there is no guarantee that seasonality will affect demand for product tankers.

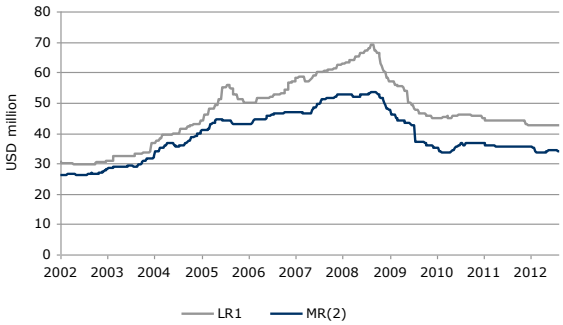
Vessel values
Vessel values are strongly correlated with the expected development in freight rates as well as the availability of ship financing. Vessel values have decreased significantly since 2008, with secondhand values seeing the largest decrease. Secondhand values tend to be more volatile than newbuilding values as they are to a larger extent exposed to the spot market, whereas newbuildings, with delivery time of 18 – 36 months, are more affected by the expected long-term level of freight rates. Secondhand values and newbuilding values increased in 2010, from the low point in 2009, but have during 2011 up until the Listing Prospectus Date decreased steadily, with limited sales and purchase activity.

Figure 9: Five year old secondhand values (USD million) as of September 2012



(1) Panamax D/H 73K DWT 'Coated' five year old secondhand prices; Note: Approximately 68k until Nov. 2001 'Coated' as from Mar. 2008. 70k until Feb. 2010
(2) Panamax D/H 47K DWT 'Coated' five year old secondhand prices; Note: 40k until Nov. 2001 45k form Nov. 2001 to Mar. 2008.
Note: 2012 figures as of September 30, 2012
Source: Industry research

Figure 10: Newbuilding values (USD million) as of September 2012



(1) 73-75k DWT Coated Panamax Tanker Newbuilding Prices; Note: 68k until Sep. 2009, 70k (coated) from Jan. 2002 to May 2008, 73-75k thereafter.
(2) 47-51K DWT Product Tanker Newbuilding Prices; Note: 47k from Jan. 2002 to May 2008, 47-51k thereafter.
Note: 2012 figures as of September 30, 2012
Source: Industry research

6.2.2 The drybulk segment

Introduction
The drybulk segment provides seaborne transportation of major and minor bulk commodities. The main categories of cargo transported by drybulk carriers are:

- Coal
- Iron ore
- Grain
- Minerals

The drybulk segment is highly fragmented with many owners and operators of vessels, including mining and energy companies, state-controlled shipping companies and independent operators.

Vessel categories
Drybulk vessels are generally single deck vessels transporting unpacked dry cargo, which is loaded through hatchways into the hold of the vessels. The following classifications are normally used in the drybulk segment.

Table 11: Drybulk categories

Vessel categories	Dwt	Primary products	Primary routes
Handysize	10,000 – 39,999	Various commodities	Regional trades
Handymax	40,000 – 64,999	Various commodities	Regional and global trades
Panamax	65,000 – 119,999	Coal and grain	Australia to the Far East; North America to the Far East and South America to Europe
Capesize	> 120,000	Iron ore	Australia to the Far East and South America to the Far East

Source: TORM

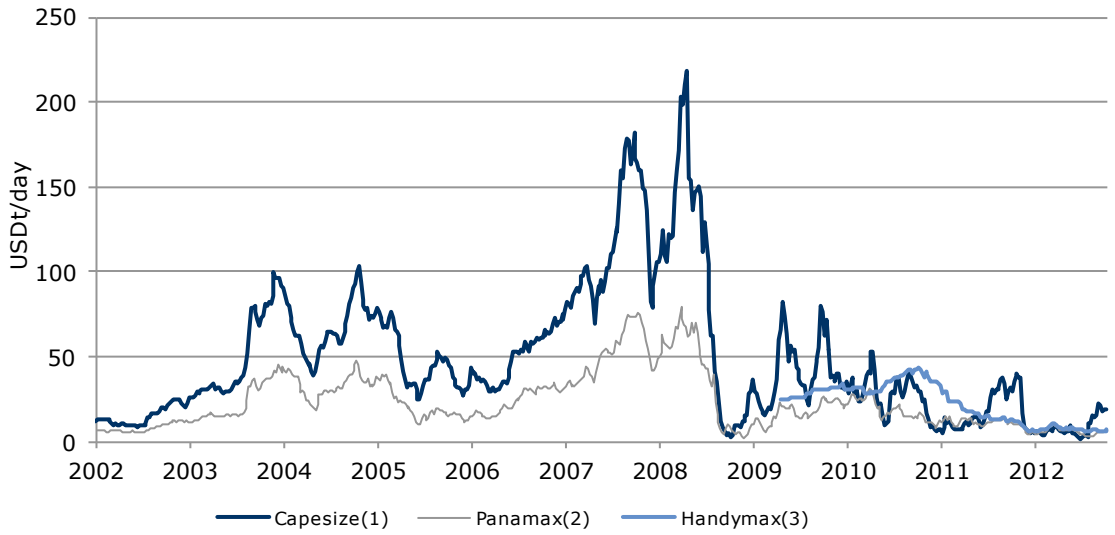
TORM operates in the Handymax and Panamax segments.

The size of the Panamax and Capesize vessels provides the operator with the benefits of economies of scale, whereas the smaller Handysize and Handymax vessels provides a higher degree of flexibility to enter more ports and thereby routes.

Freight rates

Freight rates for drybulk vessels are largely influenced by the level of the economic activity and the distance between major trade areas, as well as the size of the global drybulk fleet. Following the economic slowdown in 2008 freight rates fell to a 10-year low in Q4 2008. However, freight rates rebounded significantly in 2009 and were at a decent level in most of 2010. Since the end of 2010, and up until the Listing Prospectus Date, freight rates have been under pressure affected by the large influx of new tonnage, especially in the larger segments.

Figure 11: Development in drybulk spot rates



(1) 1999/00-built, average spot earnings
(2) 1997/98-built, average spot earnings
(3) Handymax average earnings. Handymax 40-42k dwt until Nov-01; 45k between Dec-01 and May-08; 52k Jun-08 to Dec-09; 56k from Jan-10
Note: 2012 figures as of November 30, 2012
Source: Industry research

The table below states the average annual spot rates for key benchmark routes for the individual vessel segments. Freight rates can, however, differ significantly within each vessel segment depending on the route.

Table 12: Average annual drybulk spot rates (USDt/day) as of September 2012

Vessel category	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012 Q1-Q3	*Average*
Capesize(1)	15.4	13.3	41.1	70.2	51.5	44.7	111.4	97.7	39.1	30.6	14.4	6.2	***44.6***
Panamax(2)	8.9	7.2	19.3	34.4	23.1	21.7	49.3	43.3	15.1	20.2	11.3	5.9	***21.7***
Handymax(3)	Na.	Na.	Na.	Na.	Na.	Na.	Na.	Na.	27.0	30.0	19.7	7.6	***Nm.***

(1) 1999/00-built, average spot earnings
(2) 1997/98-built, average spot earnings
(3) Handymax average spot earnings
Note: 2012 figures as of November 30, 2012. Data on Handysize is not available
Source: Industry research

Generally, since larger drybulk vessels carry fewer types of cargo, demand for larger drybulk vessels is affected by trade patterns in a small number of commodities. Demand for smaller drybulk vessels is more diversified and is determined by trade in a larger number of commodities. As a result, freight rates for smaller drybulk vessels, such as Handymax drybulk vessels, have tended to be less volatile than for the larger drybulk vessels.

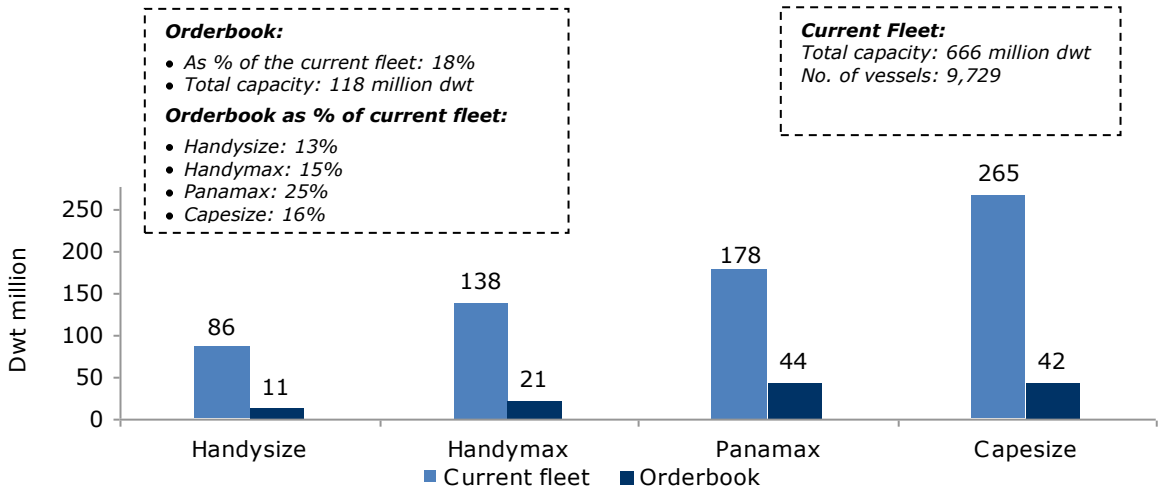
Supply and demand for drybulk vessels
The relationship between the supply of, and demand for, drybulk capacity decide freight rates and vessel values.

Supply
The supply of drybulk vessels and the development of supply is measured by the amount of vessel capacity available to carry cargo, and is determined by the size of the existing fleet in the drybulk segment, the number of newbuildings on order, the scrapping of older drybulk vessels and the number of drybulk vessels out of active service (i.e., laid-up, drydocked, or otherwise not available for hire) or in port congestion. Factors affecting the supply and growth of the product tanker fleet include:

- The number of newbuildings on order and being delivered
- The number of drybulk vessels in lay-up
- The number of drybulk vessels scrapped for obsolescence or subject to casualties
- Prevailing and expected future freight rates
- Costs of bunkers and other operating costs
- The efficiency and age of the global drybulk fleet
- Shipyard capacity
- Port congestion and canal congestion
- Government and industry regulation of maritime transportation practices, particularly environmental protection laws and regulations

Based on industry research as of September 2012, the global drybulk fleet totaled 666 million in dwt capacity. The majority of drybulk vessel capacity is estimated to lie within the Capesize segment, estimated to account for 40% of the global drybulk fleet.

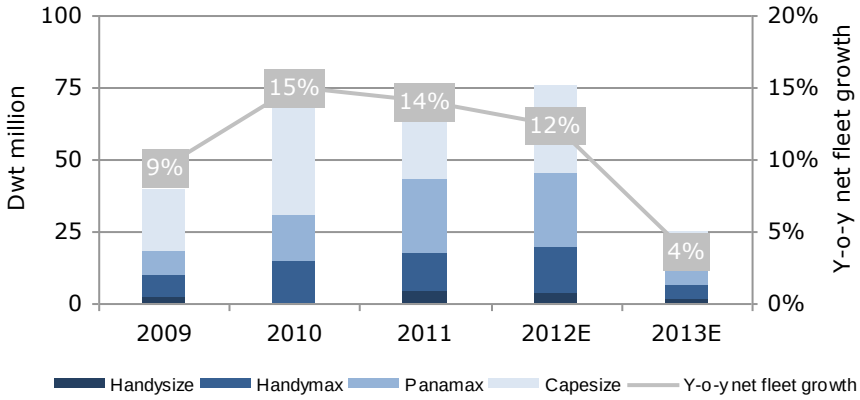
Figure 12: Global dry bulk fleet and orderbook (dwt million) as of September 2012



Note: Vessel definitions used in above table: Handysize (10-39,999 dwt), Handymax (40-64,999 dwt), Panamax (60-119,999 dwt) and Capesize (119 – 199,000 dwt)
Source: Industry research

Recent years have seen an expansion in the global drybulk fleet as the economic growth prior to 2008 incentivized drybulk shippers to invest in fleet expansions. However, the economic slowdown caused freight rates to drop, which in turn caused a decrease in the number of newbuilding orders, and the net fleet growth is expected to diminish in the coming years. Based on industry research as of September 2012, the orderbook totaled 118 million in dwt capacity corresponding to 18% of the total fleet.

Figure 13: Drybulk net fleet growth as of September 2012



Note: Numbers in the figure do not take into account the effect of cancellations or new orders. In addition to the numbers in the figure, there are also currently orders in place for delivery in 2014.
Vessel definitions used in above table: Handysize (10-39,999 dwt), Handymax (40-64,999 dwt), Panamax (65-109,999 dwt) and Capesize (110 – 199,000 dwt)
Source: Industry research

Management expects that not all drybulk vessels on shipyards' orderbooks will be delivered mainly due to lack of available financing and financial incentives to cancel orders based on low current vessel valuations. Also, a relatively large amount of vessels are being constructed by greenfield shipyards,

which are yards that have not yet been built, and these yards are expected to have a higher rate of delivery cancellations and slippage. Additionally, low rates have led some drybulk operators to scrap older vessels reducing the size of the overall drybulk fleet.

Demand
Demand for drybulk vessels is primarily determined by the quantity of cargo to be transported and the distance from origin to destination. The demand is affected by a number of external factors including:

- World and regional economic conditions
- Demand for bulk commodities (e.g. steel, agricultural products and coal)
- The regulatory environment
- Developments in international trade
- Climate
- Armed conflicts

The most significant driver for the drybulk trade is steel production as iron ore and coking coal are inputs in the production of steel. Based on industry research iron ore and coking coal combined accounted for 34% of the total drybulk trade in 2012.

Table 13: Drybulk commodity trade (million tonnes)

Commodity	2007	2008	2009	2010	2011	2012E
Iron Ore	779	841	898	992	1,051	1,101
Steam Coal	558	577	589	663	720	769
Coking Coal	194	199	188	235	223	230
Grain	229	244	236	245	258	249
Minor Bulks	1,351	1,538	1,506	1,404	1,512	1,563
Total trade	**3,112**	**3,212**	**3,132**	**3,540**	**3,764**	**3,913**

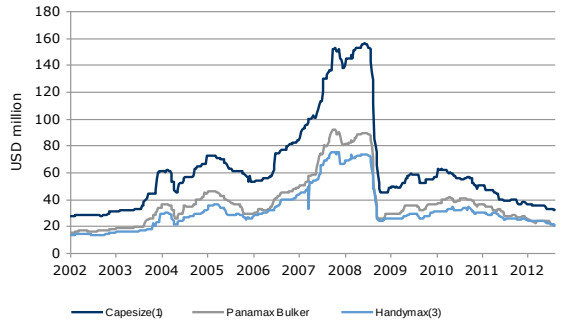
Source: Industry research

Historically, a few economies have acted as primary drivers behind the drybulk market. In the 1990s Japan was a main driver due to the growth in Japanese industrial production. Today, China and other growth markets act as important drivers behind recent increase in transported volumes.

Finally, demand for drybulk vessels may be affected by seasonality. Demand may increase in the spring in South America or fall in North America during the respective grain harvest seasons. More consistent commodities such as iron ore or coal provide some stability to the drybulk vessel trade. These trading patterns vary from year to year and, as such, seasonality may affect demand for drybulk vessels in varying degree.

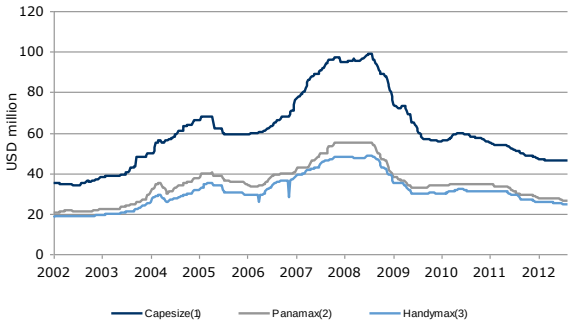
Vessel values
Drybulk vessel values have developed in parallel to the freight rates and decreased significantly late in 2008 as freight rates dropped due to the economic slowdown and availability of ship financing was limited. As is the case for product tankers, secondhand values tend to be more volatile compared to newbuilding values as they are more exposed to the spot market, whereas newbuildings are dependent on the long-term expectations for the freight rate levels. Secondhand values increased in 2009 as fundamentals improved, but has steadily decreased since 2010. Newbuilding values have shown similar development from 2009 up until the Listing Prospectus Date.

Figure 14: Five year old secondhand values (USD million) as of September 2012



(1) 170K five year old secondhand prices
(2) 76K bulk carrier five year old secondhand prices
(3) 56K five year old secondhand prices
Note: 2012 figures as of September 30, 2012
Source: Industry research

Figure 15: Newbuilding values (USD million) as of September 2012



(1) 176-180k dwt Capesize bulk carrier newbuilding prices
(2) 75-77k dwt Panamax bulk carrier newbuilding prices
(3) 56-58k dwt Handymax bulk carrier newbuilding prices
Note: 2012 figures as of September 30, 2012
Source: Industry research

6.2.3 Contract types for the employment of product tankers and drybulk vessels

Vessels are employed through a variety of different charters distinguished by the degree of control of the vessels.

- **Voyage Charter:** The shipment of a specific amount and type of cargo on a load-port to discharge-port basis, subject to various cargo handling terms. Most of these charters are on a spot voyage basis. The ship owner is responsible for paying both operating costs and voyage costs. The charterer is responsible for any delay at the loading or discharging ports.

- **Time Charter:** Time charters involve a charterer hiring a vessel for a fixed period and a fixed rate, which may range from a short number of days, as in the spot market, to several years. In a time charter, the owner bears operating costs, while the charterer is responsible for the voyage costs, including bunker costs.

- **Bareboat Charter:** Involves the chartering of a vessel for a fixed period of time and at a fixed rate. However, unlike a time charter, a bareboat charter requires the charterer to pay for all operating expenses and for the maintenance of the vessel in addition to voyage costs, including bunker costs.

- **Contract of affreightment:** Relates to the carriage of specific quantities of cargo with multiple voyages over same trading route (subject to diversity) and over a specific period of time. A contract of affreightment ("COA") does generally not designate the specific vessels or voyage schedules that will transport the cargo, thereby providing both the charterer and ship owner greater operating flexibility than with time charters alone. The charterer has the flexibility to determine the individual voyage scheduling at a future date while the ship owner may use different ships to perform these individual voyages. As a result, COAs are mostly entered into by large fleet operators or ship owners with large fleets of the same vessel type. All of the vessels operating, voyage and capital costs are borne by the ship owner while the freight rate normally is agreed on the basis of total volume.

6.2.4 Joint ventures, pools and other types of arrangements

Ship owners can form joint ventures, pools or other types of arrangements in order to gain scale advantages. Scale advantages can be achieved in two ways:

- Cost advantages by merging into one commercial platform
- Operational advantages through fleet optimization and thereby improved utilization

When operated in a joint venture (or pool) the total charter hire for all vessels is divided among all participants according to a predetermined allocation key.

There also exist joint ventures between large customers and ship owners (e.g. oil companies and trading houses).

6.2.5 Freight forward agreements and other derivatives

Freight forward agreements ("FFAs") and similar financial contracts have emerged as a way to manage operational and commercial risks in the shipping industry. A FFA is a cash-settled contract between two counterparties on a reference freight rate, or a composite of rates, representing the cost of chartering a vessel. The contracts are cash settled, meaning that there is no physical delivery of a vessel or space aboard a vessel.

On settlement of FFAs tied to individual freight routes, or a time charter composite, the seller of the FFA is required to pay the buyer if the settlement price is above the contract price. If the contracted freight rate is lower than the settlement price, the buyer is required to pay the seller. The exact price to be paid is an amount equal to the USD/day difference (in the route or composite price), multiplied by the number of days in the contract period and the quantity purchased. Settlement prices are the average of all the spot prices during the delivery period.

There are two categories of FFAs: Clearinghouse FFAs, which comprises the vast majority of FFA trading activity, and non-clearinghouse FFAs. Clearinghouse FFAs are standardized with respect to sizes and maturities, similarly to traded futures contracts. Non-clearinghouse FFAs are privately-negotiated contracts. There are currently several clearinghouses handling FFAs.

In order to manage risk related to movements in the fuel cost, the bunker price is hedged using oil derivatives.

6.2.6 Regulatory framework in the shipping industry

The shipping industry is regulated by a number of governmental, quasi-governmental and private organizations such as the EU, the individual states (flag states), the IMO and classification societies. A large number of international conventions are relevant for the shipping industry.

The EU has adopted regulations that vessel owners operating in the EU is obliged to comply with. As an example, the EU has implemented regulations requiring vessels to use reduced sulphur content fuel. These regulations have forced shipping companies to use a more expensive fuel oil adding additional costs to the operation of vessels.

The majority of regulations regarding safety requirements and protection of the environment are set by the IMO. To illustrate, the IMO has set forth the International Ship Management Code for the Safe Operation of Ships and Pollution Prevention ("ISM Code"). The ISM Code requires ship owners, ship managers and bareboat charterers to develop and maintain an extensive ''Safety Management System'' that includes the adoption of a safety and environmental protection policy setting forth instructions and procedures for safe operation and describing procedures for dealing with emergencies.

In 2004 IMO adopted the International Convention for the Control and Management of Ships' Ballast Water and Sediments (the "BWM Convention"), that will, if implemented and fully ratified, require all ships to carry out ballast water management procedures to a given standard. The Administrative Act regarding the Management of Ballast Water and Sediments from Ships' Ballast Tanks which implements the BWM Convention into Danish law has been adopted as of June 15, 2012. However, the requirements in the administrative act regarding the management of ballast water take effect upon the entry into force of the BWM Convention. It remains uncertain when and if enough states will ratify the BWM Convention for it to enter into force. To the Company's knowledge no technical solution is fully developed to support the current wording in the convention and as such, the potential costs of compliance with the BWM Convention, if implemented and fully ratified, remain unclear but may be substantial.

Every ocean-going vessel must be classed by a classification society. The classification society certifies that a vessel is in-class, meaning that the vessel has been built and maintained in accordance with the rules of the classification society and complies with the applicable rules and regulations of the vessel's country of registry and the international conventions of which the country is a member.

The individual states exercise port state control of vessels to enforce a certain level of quality of vessels.

A number of countries and the IMO have adopted, or are considering the adoption of, regulatory frameworks to reduce greenhouse gas emission, among other things. These regulatory measures may include, among others, adoption of cap and trade regimes, carbon taxes, increased efficiency standards, and incentives or mandates for renewable energy.

Environmental incidents, such as the Deepwater Horizon oil spill in the Gulf of Mexico in 2010 may also result in additional regulatory initiatives or statutes that may affect the Company.

TORM is taxed according to the Danish tonnage tax scheme under which taxable income is not calculated on the basis of income and expenses as under the normal corporate taxation. Instead, taxable income is calculated with reference to the tonnage used during the year. The taxable income of a company for a given period is calculated as the sum of the taxable income under the tonnage tax scheme and the taxable income from the activities that are not covered by the tonnage tax scheme are calculated in accordance with the ordinary corporate tax rules.

7. Organisational structure

7.1 Group structure

TORM A/S is the parent company of the Group. The table below lists the Company's principal subsidiaries as at the Listing Prospectus Date.

Table 14: Overview of TORM's principal subsidiaries

Entity	Country of incorporation	Percentage of share capital/voting rights
TORM Singapore Pte. Ltd.	Singapore	100 %
VesselCo 2 Pte. Ltd.	Singapore	100% through DK Vessel HoldCo K/S
VesselCo 4 Pte. Ltd.	Singapore	100% through DK Vessel HoldCo K/S
VesselCo 6 Pte. Ltd.	Singapore	100% through DK Vessel HoldCo K/S
VesselCo 7 Pte. Ltd.	Singapore	100% through DK Vessel HoldCo K/S
TORM USA LLC	Delaware	100 %
Long Range 1 A/S	Denmark	100 %
Medium Range A/S	Denmark	100 %
LR1 Management K/S	Denmark	100 %
MR Management K/S	Denmark	100 %
TT Shipowning K/S	Denmark	100 %
Torghattan & TORM Shipowning ApS	Denmark	100 %
Tiber Shipping LLC	Marshall Islands	100 %
OMI Marine Service Ltd.	Delaware	100 %
OMI Holding Ltd.	Mauritius	100 %
TORM Shipping India Private Limited	India	100 %
OMI Crewing Service Ltd.	Bermuda	100 %
DK Vessel HoldCo K/S	Denmark	100 %
VesselCo 1 K/S	Denmark	100 % through DK Vessel HoldCo K/S
VesselCo 2 K/S	Denmark	100 % through DK Vessel HoldCo K/S
VesselCo 3 K/S	Denmark	100 % through DK Vessel HoldCo K/S
VesselCo 4 K/S	Denmark	100 % through DK Vessel HoldCo K/S
DK Vessel HoldCo GP ApS	Denmark	100 %
VesselCo A ApS	Denmark	100 %
VesselCo B ApS	Denmark	100 %
VesselCo C ApS	Denmark	100 %
VesselCo D ApS	Denmark	100 %
TORM Brasil Consultoria em Transporte Maritimo LTDA.	Brazil	100 %

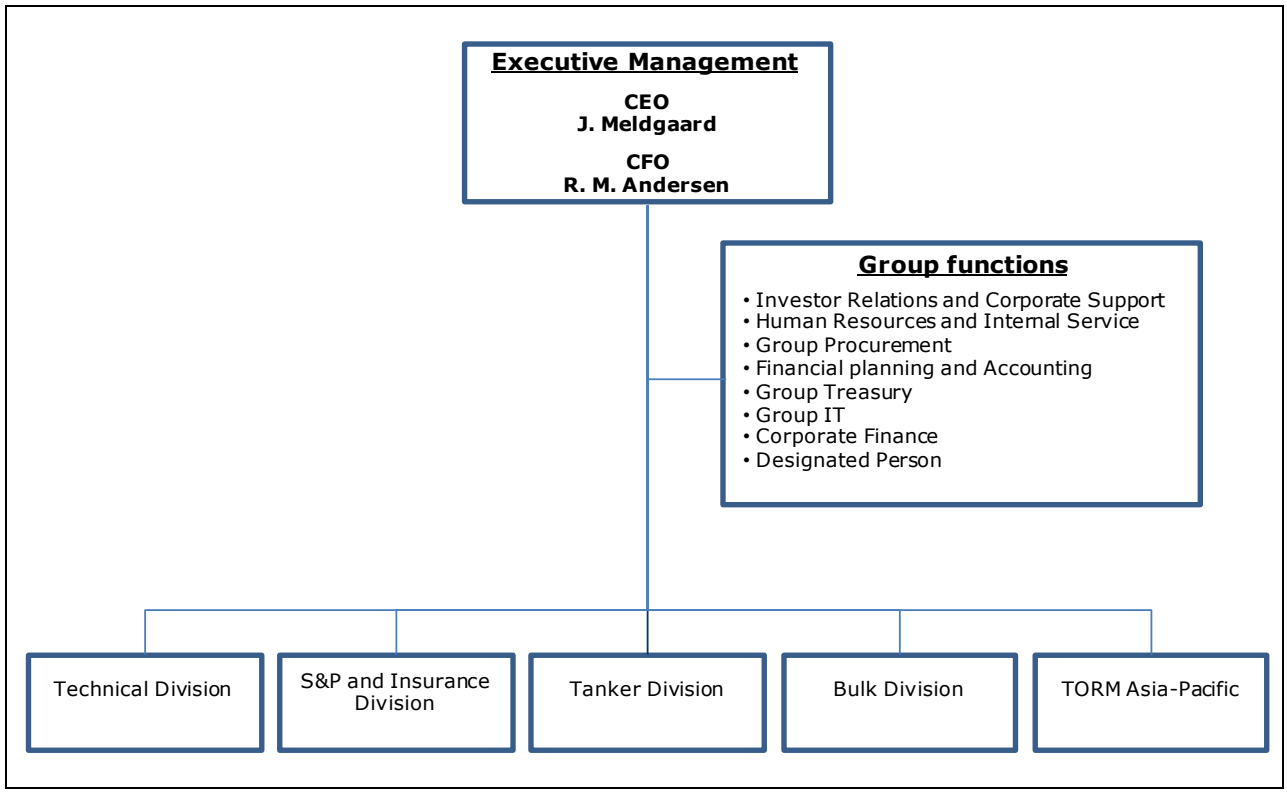
The principal subsidiaries include subsidiaries with activities as at the Listing Prospectus Date. In addition to the principal subsidiaries and TORM's other subsidiaries, TORM holds a 50% interest in FR8 Holdings Pte. Ltd. (in liquidation), LR2 Management K/S and a 25% interest in TORM Shippping (PHILS.), Inc, all of which are managed jointly with one or more other enterprises and are under joint

control.

7.2 Functional structure

TORM's main business is divided into two divisions, the Tanker Division and the Bulk Division, which are supported by the corporate functions of Investor Relations and Corporate Support, Human Resources and Internal Service, Communications and Designated Person. The Technical activities and S&P activities are separate organisational divisions that support the main business areas with technical expertise and the sale and purchase of vessels, respectively. The geographically focused division, Asia-Pacific, is responsible for TORM's activities in that region.

Figure 16: Organisational chart



8. Property, plant, equipment, etc.

8.1 Fleet

Reference is made to "Part I – 6.1 Description of TORM's activities".

8.2 Properties leased

The Company leases office space in Hellerup (Denmark), Singapore, Stamford (Connecticut, USA), Manila (the Philippines) and Mumbai (India) on fixed-term leases expiring in 2014, 2014, 2017, 2017 and 2015, respectively. In addition, the Company leases office space in Rio de Janeiro (Brazil) on a monthly basis.

8.3 Other owned land and buildings

TORM does not own any real property other than one small residential property.

8.4 Environmental and safety requirements applicable to TORM

Like all other vessels, TORM's vessels are subject to the environmental and safety requirements of public authorities, classification societies and customers, see "Part I – 6.2.6 Regulatory framework in the shipping industry". TORM's policy is that its vessels shall comply, at any given time, with applicable international legislation and regulation regarding ship safety and prevention of pollution of the sea, including any requirements imposed by TORM's customers.

The employment of TORM's vessels may be restricted by existing or new regulation or requirements by public authorities and customers, and TORM may have to invest in new measures necessary to comply with such regulation or requirements.

Most commercial managers require that vessels are approved by one or more of the leading customers in a given market, such as oil majors in the tanker market. In recent years, there has been increased focus on the age of vessels among customers. TORM's policy is that its vessels shall comply to as great an extent as possible with the demands of leading customers and other key customers, thereby maintaining the flexibility in TORM's fleet required to maintain high levels of employment of the vessels.

8.5 Insurance

TORM has taken out such insurance policies covering its business and operations as Management considers to be customary in the shipping industry. Management considers that TORM's vessels comply with insurance related requirements of public authorities and of TORM's commercial and financial counterparties. Each vessel is thus insured against damage to the vessel for an amount of not less than the vessel's market value, or 110% of the outstanding debt for which the vessel stands as security, whichever is higher. TORM has taken out insurance against operating losses incurred as a result of breakdown or damage to the vessel or its engine or other events preventing the vessel from operating normally for a period of up to 90 days in excess of 30 days from each incident. For war related incidents the cover period is 180 days. Should one of TORM's vessels suffer damage or become a total loss, TORM will incur a loss equal to the deductible under the insurance policy for the relevant vessel.

TORM is insured against a range of risks flowing from the operation of vessels and the transportation of cargo. TORM has taken out liability insurance against damage to or loss of cargo, death and personal injury, pollution, piracy, third party claims, as well as loss due to piracy, damage to hull and machinery and total loss. TORM has also taken out general war risk insurance. Where necessary, these policies are extended to include the risk for vessels sailing in areas of armed conflicts.

Further, TORM has taken out liability insurance covering negligence in relation to commercial and technical management services provided by TORM to other parties. Management is also covered by usual liability insurance policies.

To anticipate and deal with potential future risks in relation to TORM and its business, the Board of Directors evaluate TORM's insurance strategy on an annual basis. Management believes that TORM has a suitable level of insurance cover.

9. Operating and financial review

9.1 Introduction

The financial highlights for 2009, 2010 and 2011 in this section have been extracted from TORM's audited consolidated financial statements for the years ended December 31, 2009, 2010 and 2011. The financial statements have been prepared in accordance with IFRS as adopted by EU and additional Danish disclosure requirements for listed companies.

The financial highlights for the nine months ended September 30, 2012 with comparative figures for the same period in 2011 have been extracted from TORM's interim consolidated financial statements for the nine months ended September 30, 2012 with comparative figures for the nine months ended September 30, 2011, prepared in accordance with IAS 34 as adopted by the EU. The interim consolidated financial statements have, for the purpose of this Listing Prospectus, been reviewed. The interim consolidated financial statements have been prepared using the accounting policies as for the Annual Report for 2011. As from January 1, 2012, TORM has implemented the amendments to IFRS 7 regarding disclosures about transfer of financial assets. The amended standard has not affected recognition and measurement in TORM's interim consolidated financial statement for the nine months ended September 30, 2012.

The information below should be read in conjunction with TORM's consolidated financial statements for the years ended December 31, 2009, 2010 and 2011, which are included in this Listing Prospectus by reference, see "Part F - 2. Information incorporated by reference". The interim consolidated financial statements for the nine months ended September 30, 2012 with comparative figures for the nine months ended September 30, 2011 are included on page F212 – F225.

The following is a discussion of TORM's financial condition and results of operations as at and for the nine months ended September 30, 2012 with comparative figures for the nine months ended September 30, 2011, and as at and for each of the years ended December 31, 2009, 2010 and 2011, as well as the material factors that have affected or may affect TORM's ongoing and future operations.

Some of the information contained in this discussion, including information about TORM's plans and strategies for its business and its expected sources of financing, contain forward-looking statements that involve risks and uncertainties. Potential investors should read the "Risk factors" section for a discussion of certain factors that may have a material adverse affect on TORM's future performance, results of operations, cash flows and financial position.

TORM operates in a global industry where, among others, freight rates and bunkers are denominated and settled in USD. As a consequence hereof, all TORM's financial reporting is in USD.

Table 15: Financial highlights for TORM

	Year ended December 31			Q1-Q3	
	2009	**2010**	**2011**	**2011**	**2012**
Income statement				**(Unaudited)**	**(Unaudited)**
USD million					
Revenue	862	856	1,305	938	839
Time charter equivalent ("TCE") earnings	633	561	644	474	364
Gross profit	243	180	81	69	31
EBITDA	203	97	(44)	17	(41)
Operating profit/(loss) (EBIT)	50	(80)	(389)	(93)	(186)
Profit/(loss) before tax	(19)	(136)	(451)	(139)	(288)
Net profit/(loss) for the year	(17)	(135)	(453)	(140)	(289)
Net profit/(loss) for the year excl. impairment loss	3	(100)	(253)	(140)	(248)

	As at December 31			As at September 30	
	2009	**2010**	**2011**	**2011**	**2012**
Balance sheet				**(Unaudited)**	**(Unaudited)**
USD million					
Non-current assets	2,944	2,984	2,410	2,780	2,257
Total assets	3,227	3,286	2,779	3,119	2,507
Equity	1,247	1,115	644	958	358
Total liabilities	1,981	2,171	2,135	2,161	2,149
Invested capital	2,926	2,987	2,425	2,782	2,204
Net interest-bearing debt	1,683	1,875	1,787	1,836	1,858
Cash and cash equivalents	122	120	86	96	13

	Year ended December 31			Q1-Q3	
	2009	**2010**	**2011**	**2011**	**2012**
Cash flow				**(Unaudited)**	**(Unaudited)**
USD million					
From operating activities	116	(1)	(75)	(62)	(71)
From investing activities	(199)	(187)	168	104	3
thereof investment in property, plant and equipment	(289)	(254)	(118)	(107)	(57)
From financing activities	37	186	(128)	(66)	(6)
Total net cash flow	(46)	(2)	(34)	(24)	(73)

	Year ended December 31			Q1-Q3	
	2009	2010	2011	2011	2012
Key financial figures[1]				(Unaudited)	(Unaudited)
Gross margins:					
TCE	73.4%	65.5%	49.4%	50.6%	43.4%
Gross profit	28.2%	21.0%	6.2%	7.4%	3.7%
EBITDA	23.5%	11.3%	-3.4%	1.8%	-4.9%
Operating profit/(loss) (EBIT)	5.8%	-9.3%	-29.8%	-9.9%	-22.2%
Return on Equity (RoE) (p.a.)	-1.3%	-11.4%	-51.5%	-17.9%	-75.9%
Return on Invested Capital (RoIC) (p.a.) [2]	1.7%	-2.7%	-14.4%	-4.3%	-10.5%
Equity ratio	38.6%	33.9%	23.2%	30.7%	14.3%
Exchange rate USD/DKK, end of period	5.19	5.61	5.75	5.51	5.77
Exchange rate USD/DKK, average	5.36	5.62	5.36	5.31	5.80

	Year ended December 31			Q1-Q3	
	2009	2010	2011	2011	2012
Share-related key figures[1]				(Unaudited)	(Unaudited)
Earnings per share, EPS (USD)	(0.3)	(2.0)	(6.5)	(2.0)	(4.2)
Diluted earnings per share, EPS (USD)	(0.3)	(2.0)	(6.5)	(2.0)	(4.2)
Cash flow per share, CFPS (USD)	1.7	0.0	(1.1)	(0.9)	(1.0)
Proposed dividend per share (USD)	0.00	0.00	0.00	0.00	0.00
Proposed dividend per share (DKK)	0.00	0.00	0.00	0.00	0.00
Extraordinary dividend per share (DKK)	0.00	0.00	0.00	0.00	0.00
Share price in DKK, end of period (per share of DKK 5 each)	50.7	39.7	3.7	7.3	2.8
Number of shares, end of period (million)	72.8	72.8	72.8	72.8	72.8
Number of shares (excl. treasury shares), average (million)	69.2	69.3	69.6	69.5	69.6

Notes:
(1) Key figures are calculated in accordance with the recommendations of the Danish Society of Financial Analysts
(2) Return on Invested Capital is defined as: Operating profit/(loss) divided by average invested capital, defined as average of beginning and ending balances of (equity plus net interest-bearing debt less non-operating assets)

9.2 Accounting effects from the Restructuring

TORM completed its Restructuring on November 5, 2012. See "Part I – 6.1.2 The Restructuring" for further details of the Restructuring. The main effects of the Restructuring on TORM's financial statements are described below and will be accounted for in the annual report for 2012.

Pursuant to the terms of the Restructuring Agreement and related agreements, the Secured Lenders and Time Charter-in Counterparties received a consideration for the Super Senior Working Capital Facility, the changes to the Company's Pre-Restructuring Debt Facilities and the changes and certain releases and waivers in relation to the Time Charter-in Counterparty contracts consisting of a restructuring fee and agreed debt of approximately USD 200 million in aggregate, which was converted into the Listing Shares upon completion of the Restructuring. In TORM's financial statements the consideration is accounted for as transaction costs of approximately USD 200 million. USD 10 million of the approximately USD 200 million relate to the Secured Lenders and USD 190

million relate to the Time Charter-in Counterparties.

The accounting impact of the Restructuring at completion is presented in the table below:

Table 16: Accounting impact of the Restructuring Agreement and certain related transactions (unaudited)

USD million	Fee to lenders	Fee to charter-ins (operational leases)	Fee to charter-ins (financial leases	New finance lease	Capital decrease	Conversion of debt	Tranfer to non-current liabilities	Draw down and payment of interest and fees	**Net accounting impact on completion**
Note	1	2	3	4	5	6	7	8	
Charter hire		(135)							(135)
Gain/loss from sale of vessels			(10)						(10)
Operating profit	**-**	**(135)**	**(10)**	**-**	**-**	**-**	**-**	**-**	**(145)**
Vessels and Capitalized dry-docking			(67)	15					(52)
Cash and cash equivalents								5	5
Total assets	**-**	**-**	**(67)**	**15**	**-**	**-**	**-**	**5**	**(47)**
Common shares					(61)	1			(60)
Special reserve					61				61
Share premium						199			199
Retained profit		(135)	(10)						(145)
Equity	**-**	**(135)**	**(10)**	**-**	**-**	**200**	**-**	**-**	**55**
Mortgage debt and bank loans							1,830	58	1,888
Finance lease liabilities			(28)	15					(13)
Non-current liabilities	**-**	**-**	**(28)**	**15**	**-**	**-**	**1,830**	**58**	**1,875**
Mortgage debt and bank loans	(10)						(1,784)		(1,794)
Finance lease liabilities			(50)						(50)
Other liabilities (per below)	10	135	21			(200)	(46)	(53)	(133)
Agreed debt	*10*	*169*	*21*			*(200)*			-
Accrued charter hire		*(34)*							*(34)*
Current liabilities	**-**	**135**	**(29)**	**-**	**-**	**(200)**	**(1,830)**	**(53)**	**(1,977)**
Total Equity & Liabilities	**-**	**-**	**(67)**	**15**	**-**	**-**	**-**	**5**	**(47)**

Note 1 Fee to lenders
The USD 10 million fee to the Secured Lenders is recognized as transaction costs against mortgage debt and bank loans and as an increase of agreed debt in other liabilities.

Note 2 Fee to charter-ins (operational leases)
Of the USD 190 million consideration to Time Charter-in Counterparties, USD 169 million is for accounting purposes considered to relate to termination and modification of charter-in debt in respect of operational leases. Of the USD 169 million, charter hire of USD 34 million was previously rolled up in accrued charter hire in other liabilities. The net amount of USD 135 million is expensed as termination costs of USD 88 million (terminated contracts) and an expected loss on continuing charter-ins of USD 48 million (onerous contracts), both in the line item charter hire.

Note 3 Fee to charter-ins (financial leases)
TORM's two financial leases (USD 67 million in vessels) have been terminated as part of the Restructuring, whereof one subsequently has been accounted for as a new financial lease, cf. note 4

below. For accounting purposes, USD 21 million of the consideration of USD 190 million to Time Charter-in Counterparties, is considered to relate to settlement of terminated charter-in debt in respect of financial leases. The USD 21 million is added to other liabilities and the finance lease liabilities and book value of the vessels are removed from the balance sheet resulting in a net loss of USD 10 million in gain/(loss) from sale of vessels.

Note 4 New financial lease
One of TORMs two financial leases will re-enter the fleet under new terms, and has for accounting purposes been accounted for as a new financial lease cf. note 3 above. The new financial lease results in an addition of USD 15 million to the line item vessels and a corresponding increase in finance lease liabilities.

Note 5 Capital decrease
The capital decrease approved at the general meeting on April 23, 2012 was completed as part of the completion of the Restructuring by decreasing the nominal amount per share from DKK 5.00 to DKK 0.01. The share capital was reduced by USD 61 million which has been transferred from the line item common shares to the line item special reserve.

Note 6 Conversion of debt
The total restructuring fee and agreed debt of USD 200 million was converted into the Listing Shares upon completion of the Restructuring. TORM issued 665.2 million Listing Shares of a nominal value of DKK 0.01 each, at a subscription price of DKK 1.79 per Listing Shares, corresponding to an increase of the nominal share capital of USD 1 million and an increase in retained earnings of USD 199 million.

Note 7 Transfer to non-current liabilities
As of completion of the Restructuring, TORM is no longer in breach of any covenants and as a result hereof TORM's secured debt is not considered to fall due within a period of 12 months from completion of the Restructuring. Consequently, USD 1,784 million in mortgage debt and bank loans has been transferred from current to non-current liabilities. In addition USD 46 million of swap liabilities have been capitalized and transferred to non-current liabilities. Reference is made to the working capital statement in "Part II – 3.1 Working capital".

Note 8 Draw down and payment of interest and fees
At completion of the Restructuring, TORM made a drawdown of USD 60 million on the Super Senior Working Capital Facility of which USD 2 million was used to pay upfront and agency fees and recognized as transaction costs against mortgage debt and bank loans. In addition the drawdown was used to finance the payment of rolled up interest of USD 22 million and other accrued fees and expenses of approximately USD 31 million.

9.3 Critical accounting estimates and judgments

The preparation of financial statements in conformity with IFRS requires Management to make estimates and assumptions that influence the value of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the value of revenues and expenses during the reporting period. These estimates and assumptions are affected by the accounting policies applied. An accounting estimate is considered critical if the estimate requires the Executive Management's position on matters that are subject to significant uncertainty, if different estimates could reasonably have been applied, or if changes in the estimate that would have a material impact on the Company's financial position or results of operations are reasonably likely to occur from financial period to financial period. Management believes that the accounting estimates employed are appropriate and the resulting balance sheet items are reasonable. However, actual results could differ from the original estimates requiring adjustments to these balance sheet items in future periods.

Management believes that the most significant accounting estimates and judgements relate to the assessment of whether the Company's vessels are impaired.

TORM reviews the carrying amounts of assets quarterly to determine any indication of impairment

either due to a significant decline in market value or in the cash flows generated by the assets. In case of such indication, the recoverable amount of the assets is reviewed by assessing the net selling price and the value in use for the significant assets within the two cash generating units, the Tanker Division and the Bulk Division, and for the 50% investment in FR8. The recoverable amount is estimated at the higher of the net selling price and the value in use.

For the purpose of assessing the net selling price, Management estimates the market values of the vessels, for which the most important parameters are the vessels' tons deadweight, the shipyard they were built at and their age. Management uses internal as well as external sources of information, including three internationally recognized shipbrokers' valuations.

The value in use is the present value of the future cash flows expected to derive from the cash generating units. The review for potential impairment indicators and projection of future undiscounted and discounted cash flows related to the cash generating units is complex and requires Management to make various estimates, including future freight rates, earnings from the vessels and discount rates. All of these items have historically been volatile.

If the recoverable amount is less than the carrying amount of the asset, the carrying amount is written down to the recoverable amount. The impairment loss is recognized immediately in the income statement.

The carrying amount of the Company's fleet may not represent the fair market value at any point in time as market prices of second-hand vessels to a degree tend to fluctuate with changes in freight rates and the cost of newbuildings. If the expected future cash flow or related assumptions permanently change, a reduction of the carrying amounts of the vessels may be required.

As at September 30, 2012, Management performed a review of the recoverable amount of the assets by assessing the recoverable amount for the significant assets within the Tanker Division, the Bulk Division and the investment in 50% of FR8. Based on broker valuations, TORM´s fleet excluding financial lease vessels had a market value of USD 1,316 million as of September 30, 2012. This is USD 851 million less than the book value as of September 30, 2012.

Based on the review, Management concluded that:

- Assets within the Tanker Division were not further impaired as of September 30, 2012 as the value in use exceeds the carrying amount
- Assets within the Bulk Division were not impaired as the fair value less costs to sell exceeded the carrying amount
- To maintain the impairment of the investment in FR8 of USD 42 million recognized in Q2 2012 in addition to the impairment losses recognized in previous years

Tanker Division
The methodology used for calculating the value in use is unchanged compared to the Annual Report for 2011 and accordingly the freight rate estimates in the period 2012 to 2015 are based on the Company's business plans, which in 2014 and 2015 assume a gradual increase towards the 10-year historic average spot freight rate. The freight rates from 2016 are based on the 10-year historic average spot freight rates from Clarkson's adjusted by the inflation rate.

The WACC of 8.0% (September 30, 2011: 8.2%) is unchanged compared to December 31, 2011.

The 10-year historic average spot freight rates as of September 30, 2012 are as follows:

- LR2 USD/day 26,709 (30 September 2011: USD/day 27,811)
- LR1 USD/day 22,493 (30 September 2011: USD/day 23,293)
- MR USD/day 19,892 (30 September 2011: USD/day 20,227)

Management believes that these major assumptions are reasonable.

The calculation of value in use is very sensitive to changes in the key assumptions which are considered to be related to the future development in freight rates, the WACC applied as discounting factor in the calculations and the development in operating expenses. The sensitivities have been assessed as follows, all other things being equal:

- A decrease in the tanker freight rates of USD/day 500 would result in a further impairment of USD 135 million for the Tanker Division.
- An increase of the WACC of 1.0% would result in a further impairment of USD 181 million for the Tanker Division.
- An increase of the operating expenses of 5.0% would result in a further impairment of USD 90 million for the Tanker Division

In case the market conditions do not improve in order to sustain the current 10-year historic average spot freight rates, the Company may have to make further impairments of the assets.

It should be emphasized that in a forced sale the recoverable amount of the vessels would be significantly lower than the carrying amount of the vessels under a going concern assumption.

9.4 Primary factors affecting the results of operations

TORM generates revenue by charging customers for the transportation of refined oil products, crude oil and, to a lesser extent, dry bulk cargoes, using tanker and dry bulk vessels. The Company's focus is on maintaining a high quality fleet and optimizing the mix between long-term chartered in and owned vessels within the restrictions imposed under the Financing Agreements. In the Bulk Division, this is supplemented by short-term time charter contracts lasting from a single trip to several months. The Company actively manages the deployment of the fleet between spot market voyage charters, which generally last from several days to several weeks, and time charters, which can last up to several years. Some of the Company's product tankers are employed in a pool, whose revenue is derived from both spot market voyage charters and time charters.

Management believes that the primary factors affecting the results of operations are the following:

- *TCE earnings:* TCE earnings are defined as revenue less voyage expenses. Freight rates and earning days are drivers of revenue. Vessels operating in the spot market generate revenue that is less predictable, but may enable TORM to capture increased profit margins during periods of improvements in spot freight rates. Vessels operating on time charters provide more predictable revenue, but can yield lower profit margins than vessels operating in the spot market during periods characterized by favorable market conditions. TORM believes that presenting revenue net of voyage expenses neutralizes the variability created by unique costs associated with particular voyages or the deployment of vessels on the spot market and facilitates comparisons between periods on a consistent basis. Under time charter contracts, the charterer pays the voyage expenses, while under voyage charter contracts the ship owner pays these expenses. A charterer has the choice of entering into a time charter (which may be a one-trip time charter) or a voyage charter. TORM is neutral as to the charterer's choice because the Company will primarily base its economic decisions on expected TCE earnings rates rather than on expected revenue. The analysis of revenue is therefore primarily based on developments in TCE earnings. The main factors which affects the TCE earnings are:

    - *Freight rates:* Freight rates are volatile and fluctuate on a seasonal and year-to-year basis. Fluctuations derive from imbalances in the availability of cargoes for shipment and the number of vessels available at any given time to transport these cargoes. Developments in cargo available for shipment are generally influenced by the general economic environment.

    - Earning days: Available earning days depend on the number of vessels owned or chartered in and number of days in a period when a vessel is ready and available to perform a voyage, meaning the vessel is not off-hire or in dry-dock.

- *Voyage expenses:* Voyage expenses primarily consist of port and bunker expenses that are unique to a particular voyage, which would otherwise be paid by a charterer under a time charter, as well as commissions and bunker derivatives. Port expenses are affected by the number of port calls. Bunker expenses are affected by oil fluctuations and bunker consumption.

- Main expense components which affect the results of operations:

  - *Charter hire:* Charter hire costs are affected by the number of charter-in vessels and the charter hire per vessel, and these costs are generally not affected by utilisation of the vessels.

  - *Operating expenses:* Crew costs are the major component of operating expenses and are affected by the number of employees, salaries and related benefits stipulated in collective agreements.

- *Depreciation:* Depreciation is affected by the number of owned vessels, vessel values and age, and depreciation is generally not affected by utilisation of the vessels.

- *Vessel prices:* Vessel prices are affected by freight rates, which can fluctuate significantly. The results of operations can be affected by two factors related to vessel prices:

  - *Impairment tests:* In order to reflect value in use, Management reviews vessels prices quarterly in conjunction with market fundamentals. Management reviews any indication of impairment either due to a significant decline in market value or in the estimated future cash flows to be generated by the vessels.

  - *Loss/profit from the sale of vessels:* Both loss and profit can be realized in connection with the sale of vessels depending on the selling price and the book value of the vessels sold.

- *Financial expenses:* Interest expenses are affected by interest rate levels and the amount of debt outstanding. Interest rates can fluctuate significantly. Financial expenses can be more volatile going forward as TORM under the Framework Agreement is prohibited from using derivative transactions.

9.5 Nine months ended September 30, 2012 with comparatives for the nine months ended September 30, 2011

Income statement
The table below presents the income statement extracted on segment level for the nine months ended September 30, 2012 with comparative figures for the same period of 2011:

Table 17: Income statement for the nine months ended September 30, 2012 with comparatives for nine months ended September 30, 2011

USD million Unaudited	Tanker Division	Bulk Division	Unallocated	**Total Q1-Q3 2011**	Tanker Division	Bulk Division	Unallocated	**Total Q1-Q3 2012**
Revenue	722	216	-	**938**	698	141	-	**839**
TCE earnings	349	126	-	**474**	293	71	-	**364**
Gross profit	78	(8)	-	**69**	37	(6)	-	**31**
EBITDA	42	(18)	(7)	**17**	(25)	(12)	(5)	**(41)**
Operating profit/(loss) (EBIT)	(65)	(21)	(7)	**(93)**	(126)	(14)	(46)	**(186)**
Profit/(loss) before tax				**(139)**				**(288)**
Net profit/(loss) for the period				**(140)**				**(289)**
Net profit/(loss) for the period excl. impairment loss				**(140)**				**(248)**

TCE earnings for the nine months ended September 30, 2012 were USD 364 million compared to USD 474 million for the nine months ended September 30, 2011. This decrease in TCE earnings of USD 110 million was due to a decrease in the number of available earning days and TCE earnings per earning day compared to the nine months ended September 30, 2011.

Operating profit/(loss) (EBIT) amounted to a loss of USD 186 million for the nine months ended September 30, 2012 compared to a loss of USD 93 million for the nine months ended September 30, 2011. The decrease in EBIT was due to declining freight rates, impairment losses in relation to the 50% ownership of FR8 and loss from the sale of vessels.

Net loss for the nine months ended September 30, 2012 was USD 289 million compared to USD 140 million for the nine months ended September 30, 2011, corresponding to a decline of USD 149 million. The net loss the nine months ended September 30, 2012 was negatively affected by restructuring costs of USD 55 million.

Revenue and TCE earnings

Table 18: Revenue and TCE earnings for the nine months ended September 30, 2012 with comparatives for the nine months ended September 30, 2011

USD million Unaudited	Tanker Division	Bulk Division	Unallocated	**Total Q1-Q3 2011**	Tanker Division	Bulk Division	Unallocated	**Total Q1-Q3 2012**
Revenue	722	216		**938**	698	141	-	**839**
Port expenses, bunkers and commissions	(377)	(96)		**(473)**	(405)	(83)	-	**(488)**
Freight and bunkers derivatives	4	5		**9**	(0)	14	-	**14**
TCE earnings	349	126		**474**	293	71	-	**364**

Revenue in the nine months ended September 30, 2012 was USD 839 million compared to USD 938 in the nine months ended September 30, 2011, corresponding to a decrease of USD 99 million. TCE earnings in the nine months ended September 30, 2012 were USD 364 million compared to USD 474 million in the nine months ended September 30, 2011, corresponding to a decrease of USD 110 million.

Tanker Division

Revenue in the nine months ended September 30, 2012 was USD 698 million compared to USD 722 million for in the nine months ended September 30, 2011, corresponding to a decrease of 3%. TCE earnings for the nine months ended September 30, 2012 were USD 293 million compared to USD 349 million, corresponding to a decrease of 16%. The decrease in TCE earnings was due to a decrease of 5% in earning days and a decrease of 10% in TCE earnings per earning day compared to the nine months ended September 30, 2011.

The product tanker freight rates for especially the larger segments (LRs) remained under pressure in the first quarter of 2012 and the freight rates continued to be under pressure in the second quarter of 2012, as global economic indicators were sluggish. Most notably, this included the continued European financial crisis and decreasing GDP growth in both China and the USA, which negatively impacted on global oil consumption and subsequently on oil product transportation. In the third quarter the freight rates were at seasonally low levels as expected. The freight markets did not improve mainly due to mixed macroeconomic growth signals and a supply overhang of tonnage.

In the western markets, Brazil continued to import various refined products from other continents in the first quarter of 2012, which increased the ton-mile factor and positively affected freight rates. In the second quarter, MR freight rates were negatively affected by the closed gasoline and diesel arbitrages between the European Continent and the USA, weaker U.S. East Coast product demand and higher utilization in the U.S. refineries and in the third quarter, MR freight rates were negatively affected by planned refinery maintenance and limited transatlantic arbitrage.

In the eastern markets, the freight markets for LR2 and LR1 remained at low levels throughout the first quarter due to the lack of naphtha cargoes. The Arabic Gulf market was also heavily impacted by the temporary refinery closures due to maintenance in the area. In the second quarter, the freight rates for LR2 and LR1 vessels increased during June mainly due to the jet oil arbitrage opening to Europe, which also had positive spill-over effects on the activities in the Arabian Gulf and in the third quarter freight rates benefited from distillate arbitrage from the Middle East to the West. In addition, the LR2 market was positively affected by the naphtha arbitrage as a result of Indian refinery maintenance closures.

The global product tanker fleet grew by less than 1% in the third quarter of 2012, whereas the fleet grew with approx. 1% in the first and second quarter of 2012. In general, the markets are still suffering from tonnage oversupply.

Table 19: TCE earnings for the Tanker Division for the nine months ended September 30, 2012 with comparatives for the nine months ended September 30, 2011

Unaudited	Handysize	MR	LR1	LR2	Unallocated	Total
Q1-Q3 2011						
Available TCE earning days	2,957	13,147	6,457	3,468		**26,029**
TCE earnings per earning day, USD	11,778	13,848	12,984	12,830		**13,262**
TCE earnings Q1-Q3 2011, USD million	**35**	**182**	**84**	**44**	**4**	**349**
Q1-Q3 2012						
Available TCE earning days	2,977	13,219	5,671	2,742		**24,609**
Change in % from Q1-Q3 2011 to Q1-Q3 2012	1%	1%	-12%	-21%		**-5%**
TCE earnings per earning day, USD	12,054	11,864	12,493	10,985		**11,934**
Change in % from Q1-Q3 2011 to Q1-Q3 2012	2%	-14%	-4%	-14%		**-10%**
Effect on TCE earnings from change in the available TCE earning days, USD million	0	1	(10)	(9)		**(18)**
Effect on TCE earnings from change in TCE earnings per earning day, USD million	1	(26)	(3)	(5)		**(33)**
Effect on TCE earnings from change in other, USD million	0	0	0	0	(4)	**(4)**
TCE earnings Q1-Q3 2012, USD million	**36**	**157**	**71**	**30**	**0**	**293**

LR2
In the nine months ended September 30, 2012, the number of available earning days decreased by 726 days or 21% primarily due to the sale of two vessels in H2 2011 and one vessel in dry-dock throughout most of the period, resulting in a decrease in TCE earnings of USD 9 million compared to the nine months ended September 30, 2011. In the nine months ended September 30, 2012, TCE earnings per earning day decreased by USD 1,845, per day or 14%, resulting in a decrease in TCE earnings of USD 5 million compared to the nine months ended September 30, 2011.

LR1
In the nine months ended September 30, 2012, TORM decreased the number of chartered-in vessels, decreasing the number of available earning days by 786 days or 12%, resulting in a decrease in TCE earnings of USD 10 million compared to the nine months ended September 30, 2011. In the nine months ended September 30, 2012, TCE earnings per earning day decreased by USD 491 per day or 4%, resulting in a decrease in TCE earnings of USD 3 million compared to the nine months ended September 30, 2011.

MR
In the nine months ended September 30, 2012, the number of available earning days increased by 72 or 1% primarily due to the deliverance of two new vessels and the full effect of the new vessels delivered in 2011, resulting in an increase in TCE earnings of USD 1 million compared to the nine months ended September 30, 2011. In the nine months ended September 30, 2012, TCE earnings per earning day decreased by USD 1,984 per day or 14%, resulting in a decrease in TCE earnings of USD 26 million compared to the nine months ended September 30, 2011.

Handysize
In the nine months ended September 30, 2012, the fleet remained unchanged and the number of available earning days only marginally increased by 20 days or 1%. In the nine months ended September 30, 2012, TCE earnings per earning day increased by USD 276 per day or 2%, resulting in an increase in TCE earnings of USD 1 million compared to the nine months ended September 30, 2011.

Bulk Division
Total revenue in the nine months ended September 30, 2012 was USD 141 million compared to USD 216 million, corresponding to a decrease of 35%. TCE earnings in the nine months ended September 30, 2012 were USD 71 million compared to USD 126 million in the nine months ended September 30, 2011, corresponding to a decrease of 44%. The decrease in TCE earnings was due to a decrease of 29% in earning days and a decrease of 33% in TCE earnings per earning day compared to the nine months ended September 30, 2011.

The bulk market was under significant pressure in the first quarter of 2012 due to a high number of vessels being delivered. Combined with overall slower growth in the Chinese commodity demand and logistic delays in the South American grain season resulted in a low market. In the second quarter of 2012, the bulk market initially experienced positive freight rate movements as a result of the South American grain season, which was replaced by a negative market sentiment as a result of macroeconomic uncertainty. In the third quarter the freight rates suffered as the U.S. grain harvest was affected by drought giving the lowest yield in six years and combined with the macro-economic crisis including the European debt issues.

In the first quarter of 2012 the market for Panamax recorded low activity and freight rate levels. In the second quarter, the freight rates for Panamax benefited from the South American grain season initially increased, whereas the Handymax segment continued to show strength – especially for South American and West African activities on iron ore, sugar and grain. In the third quarter, the freight rates for Panamax dropped, primarily due to slower Indian activity in the monsoon season and oversupply of tonnage ballasting inbound and the weak U.S. grain season. The Handymax segment was also affected by the lack of grain activity in the third quarter of 2012 and the freight rates decreased.

Panamax
In the nine months ended September 30, 2012, the number of available earning days decreased by 1,371 days or 23%, resulting in a decrease in TCE earnings of USD 20 million compared to the nine months ended September 30, 2011. In the nine months ended September 30, 2012, TCE earnings per earning day decreased by USD 5,308 per day or 37%, resulting in a decrease in TCE earnings of USD 24 million compared to the nine months ended September 30, 2011.

Handymax
In the nine months ended September 30, 2012, the number of available earning days decreased by 1,192 days or 42%, resulting in a decrease in TCE earnings of USD 15 million due to fewer chartered-in vessels. In the nine months ended September 30, 2012, the TCE earnings per earning day decreased by USD 2,972 per day or 24%, resulting in a decrease in TCE earnings of USD 5 million compared to the nine months ended September 30, 2011.

Table 20: TCE earnings for the Bulk Division for the nine months ended September 30, 2012 with comparatives for the nine months ended September 30, 2011

Unaudited	Panamax	Handymax	Unallocated	Total
Q1-Q3 2011				
Available TCE earning days	5,871	2,851		**8,722**
TCE earnings per earning day, USD	14,468	12,336		**13,771**
TCE earnings Q1-Q3 2011, USD million	**85**	**35**	**6**	**126**
Q1-Q3 2012				
Available TCE earning days	4,500	1,659		**6,159**
Change in % from Q1-Q3 2011 to Q1-Q3 2012	-23%	-42%		**-29%**
TCE earnings per earning day, USD	9,160	9,364		**9,215**
Change in % from Q1-Q3 2011 to Q1-Q3 2012	-37%	-24%		**-33%**
Effect on TCE earnings from change in the available TCE earning days, USD million	(20)	(15)		**(35)**
Effect on TCE earnings from change in TCE earnings per earning day, USD million	(24)	(5)		**(29)**
Effect on TCE earnings from change in other, USD million	0	0	**8**	**8**
TCE earnings Q1-Q3 2012, USD million	**41**	**16**	**14**	**71**

Gross profit

Table 21: Gross profit for the nine months ended September 30, 2012 with comparatives for the nine months ended September 30, 2011

USD million Unaudited	Tanker Division	Bulk Division	Unallocated	**Total Q1-Q3 2011**	Tanker Division	Bulk Division	Unallocated	**Total Q1-Q3 2012**
TCE earnings	349	126		**474**	293	71		**364**
Charter hire	(148)	(132)		**(280)**	(134)	(75)		**(209)**
Operating expenses	(123)	(3)		**(126)**	(122)	(2)		**(124)**
Gross profit	78	(8)		**69**	37	(6)		**31**

Gross profit for the nine months ended September 30, 2012 was USD 31 million compared to USD 69 million for the nine months ended September 30, 2011, corresponding to a decrease of 55%.

Total costs related to charter hire decreased by USD 71 million from USD 280 million for the nine months ended September 30, 2011 to USD 209 million for the nine months ended September 30, 2012. Charter hire in the Tanker Division for the nine months ended September 30, 2012 decreased by USD 14 million to USD 134 million, and charter hire in the Bulk Division for the nine months ended

September 30, 2012 decreased by USD 57 million to USD 75 million.

Operating expenses decreased by USD 2 million from USD 126 million for the nine months ended September 30, 2011 to USD 124 million for the nine months ended September 30, 2012.

EBITDA

Table 22: EBITDA for the nine months ended September 30, 2012 with comparatives for the nine months ended September 30, 2011

USD million Unaudited	Tanker Division	Bulk Division	Unallo-cated	**Total Q1-Q3 2011**	Tanker Division	Bulk Division	Unallo-cated	**TotalQ1-Q3 2012**
Gross profit	78	(8)		**69**	37	(6)		**31**
Net profit from sale of vessels	2	(0)		**1**	(16)	0		**(16)**
Administrative expenses	(42)	(9)		**(52)**	(43)	(5)		**(48)**
Other operating income	3	0		**3**	1	0		**1**
Share of results of jointly controlled entities	2	0	(7)	**(5)**	(5)	0	(5)	**(10)**
EBITDA	42	(18)	(7)	**17**	(25)	(12)	(5)	**(41)**

EBITDA for the nine months ended September 30, 2012 showed a loss of USD 41 million compared to a profit of USD 17 million for the nine months ended September 30, 2011.

Net loss from sale of vessels was USD 16 million for the nine months ended September 30, 2012 compared to a profit of USD 1 million for the nine months ended September 30, 2011.

Administrative expenses for the nine months ended September 30, 2012 were USD 48 million compared to USD 52 million for the nine months ended September 30, 2011, primarily due to cost-reducing efforts initiated in 2011.

Other operating income was USD 1 million for the nine months ended September 30, 2012 compared to USD 3 million for the nine months ended September 30, 2011.

Share of results of jointly controlled entities showed a loss of USD 10 million for the nine months ended September 30, 2012 compared to a loss of USD 5 million for the nine months ended September 30, 2011 primarily due to sale of an investment in a jointly controlled entity.

Operating profit/(loss) (EBIT)

Table 23: EBIT for the nine months ended September 30, 2012 with comparatives for the nine months ended September 30, 2011

USD million Unaudited	Tanker Division	Bulk Division	Unallocated	**Total Q1-Q3 2011**	Tanker Division	Bulk Division	Unallocated	**Total Q1-Q3 2012**
EBITDA	42	(18)	(7)	**17**	(25)	(12)	(5)	**(41)**
Impairment losses on jointly controlled entities					0	0	(42)	**(42)**
Amortization, depreciation and impairment losses	(107)	(2)		**(109)**	(101)	(2)	0	**(103)**
Operating profit/(loss) (EBIT)	(65)	(21)	(7)	**(93)**	(126)	(14)	(46)	**(186)**

EBIT for the nine months ended September 30, 2012 showed a loss of USD 186 million compared to a loss of USD 93 million for the nine months ended September 30, 2011, corresponding to a decrease of USD 93 million.

Amortization, depreciation and impairment losses amounted to USD 103 million for the nine months ended September 30, 2012 compared to USD 109 million for the nine months ended September 30, 2011, corresponding to a decrease of 6%. Impairment losses on jointly controlled entities for the nine months ended September 30, 2012 were USD 42 million compared to none in the nine months ended September 30, 2011. The impairment losses relate to the Company's 50% ownership of FR8.

Net profit/(loss) for the period

Table 24: Net profit/(loss) for the nine months ended September 30, 2012 with comparatives for the nine months ended September 30, 2011

USD million Unaudited	Tanker Division	Bulk Division	Unallocated	**Total Q1-Q3 2011**	Tanker Division	Bulk Division	Unallocated	**Total Q1-Q3 2012**
Operating profit/(loss) (EBIT)	(65)	(21)	(7)	**(93)**	(126)	(14)	(46)	**(186)**
Net financial expenses			(46)	**(46)**			(102)	**(102)**
Profit/(loss) before tax			(54)	**(139)**			(148)	**(288)**
Taxation			(1)	**(1)**			(1)	**(1)**
Net profit/(loss) for the period				**(140)**				**(289)**
Net profit/(loss) for the period excl. impairment loss				**(140)**				**(248)**

The loss before tax for the period in the nine months ended September 30, 2012 was USD 288 million compared to USD 139 million in the nine months ended September 30, 2011 corresponding to a decline of USD 149 million.

Net financial expenses in the nine months ended September 30, 2012 were USD 102 compared to USD 46 million in the nine months ended September 30, 2011. The increase of USD 56 million was primarily due to advisor fees of USD 55 million in the nine months ended September 30, 2012 related to the Restructuring.

Net loss for the period in the nine months ended September 30, 2012 was USD 289 million compared to USD 140 million in the nine months ended September 30, 2011, corresponding to a decline of 149 million.

Balance sheet
Total assets as at September 30, 2012 were USD 2,507 million compared to USD 3,119 as at September 30, 2011, corresponding to a decrease of USD 612 million.

The main drivers for the decrease in total assets from September, 30 2011 to September, 30 2012 were a combination of (i) a decrease in freight receivables of USD 10 million, (ii) a decrease in investments in jointly controlled entities of USD 65 million, primarily resulting from impairment losses of USD 55 million related to the Company's 50% ownership of FR8, (iii) a net decrease in the carrying amount of vessels, including vessels held for sale, capitalized drydocking and prepayments on vessels totaling USD 358 million, and (iv) a decrease in cash and cash equivalents of USD 83 million.

The carrying amount of vessels, including vessels held for sale, capitalized dry-docking and prepayments on vessels as at September 30, 2012, amounted to USD 2,234 million compared to USD 2,591 million as at September 30, 2011, corresponding to a net decrease of USD 358 million. The net decrease includes impairment losses of USD 98 million relating to the tanker fleet recorded at December 31, 2011 due to weak market fundamentals, which had led to a more cautious view on the short to mid-term freight rates.

Both as at September 30, 2012 and as at September 30, 2011, Management concluded that the assets in the Company's two cash generating units, the Tanker Division and the Bulk Division, should not were not impaired.

Total equity as at September 30, 2012 was USD 358 million compared to USD 958 million as at September 30, 2011, corresponding to a decrease of USD 600 million.

Total liabilities decreased by USD 12 million to USD 2,149 million as at September 30, 2012, compared to USD 2,161 million as at September 30, 2011, primarily due to a decrease in mortgage debt and bank loans.

Cash flow
For the nine months ended September 30, 2012, net cash flow from operating activities amounted to an outflow of USD 71 million against an outflow of USD 62 million in the nine months ended September 30, 2011.

In the nine months ended September 30, 2012, net cash flow from investing activities amounted to an inflow of USD 3 million, against an inflow of USD 104 million for the nine months ended September 30, 2011.

Investments in property, plant and equipment made in the nine months ended September 30, 2012 amounted to an outflow of USD 57 million compared to an outflow of USD 107 million for the nine months ended September 30, 2011. Furthermore, in the nine months ended September 30, 2012, TORM generated USD 50 million in cash flow from the sale of non-current assets, primarily vessels, compared to USD 209 million for the nine months ended September 30, 2011.

For the nine months ended September 30, 2012, net cash flow from financing activities amounted to

an outflow of USD 6 million against an outflow of USD 66 million for the nine months ended September 30, 2011.

9.6 Consolidated financial statements for the years ended December 31, 2009, 2010 and 2011

Income statement
The table below presents the income statement extracted on segment level for the years ended December 31, 2009, 2010 and 2011:

Table 25: Income statement extracted on segment level for the years ended December 31, 2009, 2010 and 2011

USD million	Tanker Division	Bulk Division	Unallocated	Total 2009	Tanker Division	Bulk Division	Unallocated	Total 2010	Tanker Division	Bulk Division	Unallocated	Total 2011
Revenue	745	117	-	**862**	763	93	-	**856**	959	346	-	**1,305**
TCE earnings	520	113	-	**633**	473	88	-	**561**	453	191	-	**644**
Gross profit	198	45	-	**243**	155	24	-	**180**	92	(11)	-	**81**
EBITDA	137	71	(6)	**203**	92	18	(13)	**97**	35	(65)	(14)	**(44)**
Operating profit/(loss) (EBIT)	11	65	(26)	**50**	(47)	15	(48)	**(80)**	(294)	(68)	(27)	**(389)**
Profit/(loss) before tax				**(19)**				**(136)**				**(451)**
Net profit/(loss) for the year				**(17)**				**(135)**				**(453)**
Net profit/(loss) for the year excl. impairment loss				**3**				**(100)**				**(253)**

TCE earnings for 2011 were USD 644 million compared to USD 561 million for 2010 and USD 633 for 2009. The increase in TCE earnings from 2010 to 2011 was primarily due to a significant increase in the number of available earning days of 30%, particularly in the Bulk Division. This increase was partly offset by significantly lower freight rates in both the Tanker Division, particularly in the Handysize, LR1 and LR2 business areas, and the Bulk Panamax business area.

Operating loss (EBIT) was USD 389 million for 2011 compared to an operating loss of USD 80 million for 2010 and an operating profit of USD 50 million for 2009. The higher loss generated in 2011 compared to 2010 was primarily due to a net loss of USD 53 million from the sale of vessels and impairment losses of USD 200 million relating to the Tanker Division and FR8 as compared to a net profit from the sale of vessels of USD 2 million and impairment losses of USD 35 million relating to FR8 in 2010. Significantly lower freight rates also contributed negatively to TORM's operations.

The Company posted a net loss for 2011 of USD 453 million compared to a net loss of USD 135 million for 2010 and a net loss of USD 17 million for 2009.

Revenue and TCE earnings

Table 26: Revenue and TCE earnings for the years ended December 31, 2009, 2010 and 2011

USD million	Tanker Division	Bulk Division	Unallocated	Total 2009	Tanker Division	Bulk Division	Unallocated	Total 2010	Tanker Division	Bulk Division	Unallocated	Total 2011
Revenue	745	117	-	**862**	763	93	-	**856**	959	346	-	**1,305**
Port expenses, bunkers and commissions	(214)	(4)	-	**(217)**	(294)	(5)	-	**(299)**	(511)	(164)	-	**(675)**
Freight and bunkers derivatives	(12)	0	-	**(12)**	4	(0)	-	**3**	5	9	-	**14**
TCE earnings	520	113	-	**633**	473	88	-	**561**	453	191	-	**644**

Revenue in 2011 was USD 1,305 million, corresponding to an increase of USD 449 million compared to 2010. TCE earnings in 2011 were USD 644 million, corresponding to an increase of USD 83 million compared to 2010.

Revenue in 2010 was USD 856 million, corresponding to a decrease of USD 6 million compared to 2009. TCE earnings in 2010 were USD 561 million, corresponding to a decrease of USD 72 million compared to 2009.

Tanker Division

Total revenue in 2011 was USD 959 million, corresponding to an increase of USD 196 million compared to 2010. TCE earnings for 2011 were USD 453 million, corresponding to a decrease of USD 20 million compared to 2010. The overall increase in the number of available earning days of 7% was more than offset by the reduction in the weighted average TCE earnings per available earning day of 10% compared to 2010.

For larger vessels (LRs), the weak freight rates of 2010 continued into the first quarter of 2011. This was primarily due to the oversupply of vessels. For medium-sized vessels (MRs), western market rates were steady. This was due to the cold winter in the Northern Hemisphere and the resulting increased demand for heating oil. In the second quarter of 2011, the earthquake in Japan, the Mississippi flooding in the U.S. and an increase in the South American demand led to a surge in the transportation demand in the West. TORM was well positioned to capitalize on the market increase, and the Company reached the highest MR spot rates seen since the first quarter of 2009. However, the Libyan revolution had a negative effect on the LR2 market. In the eastern market, the earthquake in Japan also negatively impacted on the naphtha demand, and imports in Asia decreased, leaving the LR markets weak. In the third quarter of 2011, tanker freight rates dropped due to a combination of higher bunker costs and the European debt crisis. The naphtha demand in Asia remained weak as did the U.S. gasoline demand. The earnings on the largest vessels (LRs) were increasingly affected by uncoated newbuilding vessels entering the gasoil market. During the fourth quarter of 2011, the naphtha demand in Asia decreased further, and the LR markets remained at a low level in the East. In the West, the increasing demand in South America assisted the product tanker market throughout the quarter and the usual end-of-year exports from the U.S. resulted in relatively high freight rates.

Total revenue for 2010 was USD 763 million, corresponding to an increase of USD 18 million compared to 2009. TCE earnings for 2010 were USD 473 million, corresponding to a decrease of USD 47 million compared to 2009. The positive effect of the 5% increase in the number of available TCE earning days was less than the negative effect of the 15% reduction in TCE earnings per earning day compared to 2009. The decrease in TCE earnings per earning day was primarily a result of lower covered TCE earnings going into 2010. Average spot freight rates remained at relatively low levels

during 2010 as in 2009.

In the first quarter of 2010, the larger vessels (LRs) were positively impacted by the continued naphtha demand in the Far East. This was partly offset by the discharge of vessels from floating storage. The MR segment benefited from the cold winter in the Northern Hemisphere, which increased the demand for heating oil. Going into the second quarter of 2010, freight rates decreased due to the effect of seasonal refinery maintenance and continued influx of new tonnage as well as a reduction in the number of vessels used as floating storage. Alternative cargoes such as vegetable oil to China and Europe were not sufficient to support the freight rates. In late June and early July 2010, the transatlantic trading route was strengthened significantly due to the opening of gasoline arbitrage from Europe to the U.S., disruptions in the Brazilian refinery sector and few available vessels on the European continent. This positive trend ceased in the third quarter of 2010 when ample tonnage supply, absence of general arbitrage opportunities and no use of floating storage resulted in lower freight rates. The larger LR vessels were furthermore negatively impacted by a weak crude market, and therefore the vessels sought occupation in the clean market. Towards the end of 2010, the eastern markets continued to be at a low, especially impacting on the freight rates of the LR vessels. The western market strengthened for a short period in December as the gasoline arbitrage between Europe and the U.S. reopened, leading to increasing MR freight rates.

Table 27: TCE earnings for the Tanker Division for the years ended December 31, 2009, 2010 and 2011

	Handysize	**MR**	**LR1**	**LR2**	Unallocated	**Total**
2009						
Available TCE earning days	4,543	13,949	7,480	4,709	-	**30,681**
TCE earnings per earning day, USD	18,446	15,561	18,284	18,370	-	**17,083**
TCE earnings 2009, USD million	**84**	**217**	**137**	**86**	**(4)**	**520**
2010						
Available TCE earning days	3,940	15,936	7,814	4,576	-	**32,266**
Change in % from 2009 to 2010	*-13%*	*14%*	*4%*	*-3%*	-	***5%***
TCE earnings per earning day, USD	15,024	13,326	14,599	17,573	-	**14,444**
Change in % from 2009 to 2010	*-19%*	*-14%*	*-20%*	*-4%*	-	***-15%***
Effect on TCE earnings from change in the available TCE earning days, USD million	(11)	31	6	(3)	-	**23**
Effect on TCE earnings from change in TCE earnings per earning day, USD million	(13)	(35)	(29)	(4)	-	**(81)**
Effect on TCE earnings from change in other, USD million	-	-	-	-	11	**11**
TCE earnings 2010, USD million	**60**	**213**	**114**	**79**	**7**	**473**

2011						
Available TCE earning days	3,935	17,625	8,537	4,560	-	**34,657**
Change in % from 2010 to 2011	*0%*	*11%*	*9%*	*0%*	-	***7%***
TCE earnings per earning day, USD	11,288	13,718	12,017	13,505	-	**12,995**
Change in % from 2010 to 2011	*-25%*	*3%*	*-18%*	*-23%*	-	***-10%***
Effect on TCE earnings from change in the available TCE earning days, USD million	0	22	10	0	-	**32**
Effect on TCE earnings from change in TCE earnings per earning day, USD million	(16)	7	(22)	(17)	-	**(48)**
Effect on TCE earnings from change in other, USD million	-	-	-	-	(4)	**(4)**
TCE earnings 2011, USD million	**44**	**242**	**102**	**62**	**3**	**453**

LR2
In 2011, two vessels were sold and leased back on an operating lease in mid-2011, and two additional vessels were sold in late 2011, leaving the number of available earning days in the LR2 business area almost unchanged compared to the previous year. TCE earnings per earning day have decreased by 23% compared to 2010, reducing TCE earnings by USD 17 million.

In 2010, the Company redelivered one chartered-in vessel in the segment, which was the primary reason for the decrease in the number of available TCE earning days of 133 days or 3%, resulting in a decrease in TCE earnings of USD 3 million. TCE earnings per earning day have decreased by 4% compared to 2009, reducing TCE earnings by USD 4 million.

LR1
In 2011, the relatively expensive additions to the time charter fleet in 2010 had taken full effect, and the Company took delivery of and redelivered two chartered in vessels during the year, increasing the number of available TCE earning days by 723 days or 9% and TCE earnings by USD 10 million. TCE earnings per earning day have decreased by 18% compared to 2010, reducing TCE earnings by USD 22 million.

In 2010, the Company took delivery of nine and redelivered seven chartered-in vessels, increasing the number of available TCE earning days by 334 days or 4% and TCE earnings by USD 6 million. TCE earnings per earning day have decreased by 20% compared to 2010, reducing TCE earnings by USD 29 million.

MR
In 2011, two newbuildings were delivered to the fleet of owned vessels, and two older vessels were sold. Three vessels were delivered to the fleet of time chartered vessels, and with the deliveries in 2010, which had taken full effect in 2011, this was the main reason for the increase in the number of available TCE earning days of 1,689 days or 11%, which improved earnings by USD 22 million. TCE earnings per earning day increased by 3% compared to the previous year, increasing TCE earnings by USD 7 million. In 2010, five newbuildings were delivered to the fleet of owned vessels, and with the deliveries in 2009, which had taken full effect in 2010, this was the main reason for the increase in the number of available TCE earning days of 1,987 days or 14%, which improved TCE earnings by USD 31 million. TCE earnings per earning day decreased by 14% compared to the previous year, reducing TCE earnings by USD 35 million.

Handysize
In the Handysize business area, the fleet remained unchanged. TCE earnings per earning day have decreased by 25% compared to 2010, reducing TCE earnings by USD 16 million.

In 2010, the Company redelivered a chartered-in vessel, which was the main reason for the reduction in the number of available TCE earning days of 13% compared to 2009, resulting in a decrease in TCE earnings of USD 11 million. TCE earnings per earning day have decreased by 19% compared to 2009, reducing TCE earnings by USD 13 million.

Bulk Division

Revenue in 2011 was USD 346 million, corresponding to an increase of USD 253 million compared to 2010. TCE earnings for 2011 were USD 191 million, corresponding to an increase of USD 103 million compared to 2010. The overall increase in the number of available TCE earning days of 188% was partly offset by the reduction in the TCE earnings per available earning day of 28% compared to 2010.

In the first quarter of 2011, the freight rates were under pressure due to a large number of newbuilding deliveries and weaker demand. The second quarter of 2011 did not meet the expectations of a firmer market. The Panamax market was hit by the floods in Queensland, Australia, and the earthquake and the tsunami in Japan. This affected the global production cycle and led to a fall in the Baltic Panamax Index of approximately 35% during April, primarily putting the Pacific market under pressure. In the third quarter of 2011, the bulk market continued to be under pressure from a typical summer market and the spillover effects seen in the previous quarter. Later, freight rates improved due to grain exports from the U.S., sugar exports from Brazil and a continued appetite for iron ore and coal in China. In the fourth quarter of 2011, the bulk market in the Atlantic was balanced, and in the Pacific freight rates were steady despite the largest-ever Chinese production of iron ore and continued high commodity stock levels in Chinese ports.

Revenue for 2010 was USD 93 million, corresponding to a decrease of USD 24 million compared to 2009. TCE earnings for 2010 were USD 88 million, corresponding to a decrease of USD 25 million compared to 2009. TCE earnings were negatively affected by a 16% decrease in the number of available TCE earning days, but this was more than offset by a 19% increase in TCE earnings per earning day compared to 2009. Conversely, TCE earnings were in 2009 affected extraordinarily by compensation for lost income upon early redelivery of vessels amounting to USD 26 million.

In the first quarter of 2010, the Panamax freight rates were strong, both in absolute terms and especially compared to the larger Capesize vessels. The increase in Chinese coal and iron ore imports affected the market positively and more than offset the pressure from the record high deliverables of new tonnage. The second quarter of 2010 began with high activity levels within the iron ore, coal and steel markets, with Panamax freight rates peaking in mid-May. Subsequent price increases for iron ore and coal resulted in decreased imports into China, which could not be offset by increased grain transport from South America. The influx of new tonnage continued during the second quarter. In total, this led to negative market developments in the second part of the quarter. The third quarter of 2010 was influenced by uncertainty as to Chinese iron ore imports. Positive factors included increased Chinese coal imports and increased demand for U.S. grain due to the failed harvest in Russia. This caused significant fluctuations in freight rates during the quarter. The Panamax freight rates bottomed out in mid-July and increased subsequently in early September. The fourth quarter of 2010 was soft, although volatile. The factors that influenced the market were lack of activity due to historically high commodity prices and logistical disruptions related to weather conditions in Indonesia and Australia.

Panamax

In 2011, the number of available TCE earning days increased by 4,437 days or 97%, causing an increase in earnings of USD 85 million. TCE earnings per earning day in the Panamax segment were on average 25% lower in 2011 than in 2010, reducing TCE earnings by USD 43 million.

In 2010, two Panamax vessels, which were sold in 2009, were delivered to their new owners. The Company took delivery of two newbuildings on long-term time charters at the beginning of the year, one vessel on a two-year time charter and three vessels on short-term time charters in late 2010. Together with the full impact of vessels sold and those delivered to new owners in 2009, the net effect was a 16% decline in the number of available TCE earning days, reducing TCE earnings by USD 13 million. On average, TCE earnings per earning day in the Panamax segment were 19% higher in 2010 than in 2009, increasing TCE earnings by USD 14 million.

Handymax
In 2011, the number of available earning days increased by 4,182 days to 4,212. The increase in available earning days improved earnings by USD 50 million, whereas an increase in average TCE earnings per earning day of 6% resulted in an increase in earnings of USD 3 million.

Table 28: TCE earnings and earnings data for the Bulk Division for the years ended December 31, 2009, 2010 and 2011

	Panamax	Handymax	Unallocated	Total
2009				
Available TCE earning days	5,413	-	-	**5,413**
TCE earnings per earning day, USD	16,099	-	-	**16,099**
TCE earnings 2009, USD million	**87**	**-**	**26**	**113**
2010				
Available TCE earning days	4,561	30	-	**4,591**
Change in % from 2009 to 2010	*-16%*	-	-	***-15%***
TCE earnings per earning day, USD	19,184	11,919	-	**19,137**
Change in % from 2009 to 2010	*19%*	-	-	***19%***
Effect on TCE earnings from change in the available TCE earning days, USD million	(13)	-	-	**(13)**
Effect on TCE earnings from change in TCE earnings per earning day, USD million	14	-	-	**14**
Effect on TCE earnings from change in other, USD million	-	-	(26)	**(26)**
TCE earnings 2010, USD million	**88**	**0**	**-**	**88**
2011				
Available TCE earning days	8,998	4,212	-	**13,210**
Change in % from 2010 to 2011	*97%*	*n.a.*	-	***188%***
TCE earnings per earning day, USD	14,364	12,628	-	**13,810**
Change in % from 2010 to 2011	*-25%*	*6%*	-	***-28%***
Effect on TCE earnings from change in the available TCE earning days, USD million	85	50	-	**135**
Effect on TCE earnings from change in TCE earnings per earning day, USD million	(43)	3	-	**(40)**
Effect on TCE earnings from change in other, USD million	-	-	8	**8**
TCE earnings 2011, USD million	**130**	**53**	**8**	**191**

In 2010, the Company started to build up a presence in the Handymax segment, however, the financial effect for the year was limited with only 30 available TCE earning days.

Gross profit

Table 29: Gross profit for the years ended December 31, 2009, 2010 and 2011

USD million	Tanker Division	Bulk Division	Unallocated	**Total 2009**	Tanker Division	Bulk Division	Unallocated	**Total 2010**	Tanker Division	Bulk Division	Unallocated	**Total 2011**
TCE earnings	520	113	-	**633**	473	88	-	**561**	453	191	-	**644**
Charter hire	(163)	(58)	-	**(221)**	(169)	(60)	-	**(229)**	(199)	(199)	-	**(398)**
Operating expenses	(159)	(11)	-	**(170)**	(148)	(4)	-	**(152)**	(162)	(3)	-	**(165)**
Gross profit	198	45	-	**243**	155	24	-	**180**	92	(11)	-	**81**

Gross profit for 2011 was USD 81 million, corresponding to a decrease of USD 99 million compared to 2010.

Total costs related to charter hire increased by USD 169 million from 2010 to 2011. As compared to 2010, charter hire paid in the Tanker Division increased by USD 30 million to USD 199 million in 2011, whereas charter hire paid in the Bulk Division increased by USD 139 million to USD 199 million. The increase in the Tanker Division of 18% and in the Bulk Division of 232% was primarily attributable to an increase in the number of available earning days from vessels chartered in compared to 2010.

In 2011, total operating expenses for owned vessels increased by USD 13 million to USD 165 million in 2011, primarily due to an increase in the number of operating days of 6%, raising operating expenses by USD 10 million. During 2011, TORM managed to sustain the cost savings achieved in the cost savings and efficiency programs implemented over the last few years despite continued pressure on seafarer wages and general inflationary pressure. Average operating expenses per day ended at USD 6,363 compared to USD 6,197 in 2010, reflecting a slight increase of 3% due to the recalibration of certain cost categories.

Gross profit for 2010 was USD 180 million, corresponding to a decrease of USD 63 million compared to 2009.

Total costs related to charter hire increased by USD 8 million from 2009 to 2010. Compared to 2009, charter hire paid in the Tanker Division increased by USD 6 million to USD 169 million, whereas charter hire paid in the Bulk Division increased by USD 2 million to USD 60 million. The increase in the Tanker Division was caused partly by an increase in the number of available TCE earning days from vessels chartered in, and partly by higher average time charter freight rates.

In 2010, total operating expenses for owned vessels decreased compared to 2009 by USD 18 million to USD 152 million, despite an overall increase in the number of operating days of 2%. During 2010, TORM successfully continued its efforts to achieve sustainable cost savings and to optimize operating efficiency (a program initiated in 2009), and the Company has managed to reduce average operating expenses per operating day by 11% since 2009, corresponding to a USD 21 million reduction of operating expenses.

EBITDA

Table 30: EBITDA for the years ended December 31, 2009, 2010 and 2011

USD million	Tanker Division	Bulk Division	Unallocated	**Total 2009**	Tanker Division	Bulk Division	Unallocated	**Total 2010**	Tanker Division	Bulk Division	Unallocated	**Total 2011**
Gross profit	198	45	-	**243**	155	24	-	**180**	92	(11)	-	**81**
Net profit from sale of vessels	0	33	-	**33**	-	2	-	**2**	(12)	(41)	-	**(53)**
Administrative expenses	(72)	(7)	-	**(78)**	(70)	(8)	-	**(78)**	(58)	(13)	-	**(71)**
Other operating income	7	-	-	**7**	5	-	-	**5**	3	0	-	**3**
Share of results of jointly controlled entities	4	-	(6)	**(2)**	1	-	(13)	**(12)**	10	-	(14)	**(4)**
EBITDA	137	71	(6)	**203**	92	18	(13)	**97**	35	(65)	(14)	**(44)**

EBITDA for 2011 was negative by USD 44 million, corresponding to a decrease of USD 141 million compared to 2010.

Net loss from sale of vessels was USD 53 million for 2011 compared to a profit of USD 2 million for 2010. In 2011, TORM sold two MR vessels and two LR2 vessels and entered into agreements to sell and lease back two LR2 vessels on operating leases. In addition, TORM entered into an agreement to cancel one MR product tanker and sold two Panamax bulk carrier newbuilding contracts.

Total administrative expenses amounted to USD 71 million, which was a decrease of USD 7 million or 9% compared to total administrative expenses of USD 78 million for 2010. Administrative expenses for 2010 were impacted by one-time expenses of USD 14 million relating to changes in TORM's Management whereas 2011 was impacted by one-off expenses of USD 2 million relating to the reduction in land-based personnel in November 2011. The net impact of one-time expenses was thus reduced by USD 12 million. Salaries increased by USD 4 million, expenses relating to incentive schemes increased by USD 3 million, and other administrative expenses decreased by USD 2 million.

Other operating income primarily comprises chartering commissions received by TORM in connection with pools and commercial management. Other operating income amounted to USD 3 million for 2011 against USD 5 million for 2010. The decrease primarily related to a reduction in pool management commissions as a result of lower freight rates and fewer pool vessels compared to 2010 and to the closure of two tanker pools during 2011.

Share of results of jointly controlled entities, which primarily constitutes the Company’s interest in FR8, had a negative impact of USD 4 million in 2011 compared to a negative impact of USD 12 million in 2010.

EBITDA for 2010 was USD 97 million, corresponding to a decrease of USD 106 million compared to 2009.

Net profit from sale of vessels was USD 2 million for 2010 compared to USD 33 million for 2009. This amount consisted of a profit of USD 18 million from the sale of two Panamax vessels, which were sold in 2009 and recognized in 2010 upon delivery to their new owners, and a loss of USD 16 million from the sale of two Panamax newbuildings.

Total administrative expenses for 2010 amounted to USD 78 million, which remained unchanged compared to 2009. Administrative expenses for 2010 were impacted by one-off expenses relating to changes in the Company's Management amounting to USD 14 million. Before these one-off expenses, administrative expenses were reduced by 15% compared to 2009.

Other operating income amounted to USD 5 million for 2010, against USD 7 million for 2009. The decrease was driven by a reduction in pool management commissions as a result of lower freight rates and fewer pool vessels compared to 2009.

Share of results of jointly controlled entities, which primarily constitutes the Company's interest in FR8, had a negative impact of USD 12 million in 2010, compared to a negative impact of USD 2 million in 2009.

Operating profit/(loss) (EBIT)

Table 31: EBIT for the years ended December 31, 2009, 2010 and 2011

USD million	Tanker Division	Bulk Division	Unallocated	**Total 2009**	Tanker Division	Bulk Division	Unallocated	**Total 2010**	Tanker Division	Bulk Division	Unallocated	**Total 2011**
EBITDA	137	71	(6)	**203**	92	18	(13)	**97**	35	(65)	(14)	**(44)**
Impairment losses on jointly controlled entities	-	-	(20)	**(20)**	-	-	(35)	**(35)**	-	-	(13)	**(13)**
Amortization, depreciation and impairment losses	(126)	(7)	-	**(133)**	(139)	(3)	-	**(141)**	(329)	(3)	-	**(332)**
Operating profit/(loss) (EBIT)	11	65	(26)	**50**	(47)	15	(48)	**(80)**	(294)	(68)	(27)	**(389)**

EBIT for 2011 was negative by USD 389 million, corresponding to a decrease of USD 309 million compared to 2010.

Impairment losses on jointly controlled entities for 2011 were USD 13 million, compared to an impairment loss of USD 35 million for 2010. This relates to the Company's 50% ownership of FR8.

Amortization, depreciation and impairment losses (excl. the impairment loss relating to FR8) amounted to USD 332 million for 2011 compared to USD 141 million for 2010. In 2011, TORM recorded impairment losses of USD 98 million relating to the tanker fleet and USD 89 million relating to goodwill.

EBIT for 2010 was negative by USD 80 million, corresponding to a decrease of USD 130 million compared to 2009.

Impairment losses on jointly controlled entities for 2010 were USD 35 million, compared to an impairment loss of USD 20 million for 2009. In 2011, the impairment loss related to the Company's 50% ownership of FR8. The carrying amount of the investment in FR8 was based on a higher average vessel cost price compared to similar vessel types in TORM's own fleet, and consequently the investment was impaired by USD 35 million in addition to the impairment loss of USD 20 million recorded in 2009.

Amortization, depreciation and impairment losses (excl. the impairment loss relating to FR8)

amounted to USD 141 million for 2010 compared to USD 133 million for 2009.

Net profit/(loss) for the year

Table 32: Net profit/(loss) for the financial years ended December 31, 2009, 2010 and 2011

USD million	Tanker Division	Bulk Division	Unallocated	**Total 2009**	Tanker Division	Bulk Division	Unallocated	**Total 2010**	Tanker Division	Bulk Division	Unallocated	**Total 2011**
Operating profit/(loss) (EBIT)	11	65	(26)	**50**	(47)	15	(48)	**(80)**	(294)	(68)	(27)	**(389)**
Net financial expenses			(69)	**(69)**			(57)	**(57)**			(63)	**(63)**
Profit/(loss) before tax				**(19)**				**(136)**				**(451)**
Taxation			2	**2**			1	**1**			(2)	**(2)**
Net profit/(loss) for the year				**(17)**				**(135)**				**(453)**
Net profit/(loss) for the year excl. impairment loss				**3**				**(100)**				**(253)**

Loss before tax for 2011 was USD 451 million, corresponding to a decrease of USD 315 million compared to 2010.

Net financial expenses for 2011 increased by USD 6 million to USD 63 million compared to 2010. The most significant reason for this change was an increase in interest expenses of USD 8 million.

The Company posted a net loss for 2011 USD 453 million, corresponding to a decrease of USD 318 million compared to 2010.

For 2011, tax amounted to an expense of USD 2 million compared to income of USD 1 million for 2010. Tax for 2011 comprises a current tax expense for the year of USD 3 million compared to USD 1 million for the previous year, and income of USD 1 million due to an adjustment to estimated tax liabilities for the previous years, against income of USD 2 million for 2010.

Net loss for the year excl. impairment loss for 2011 was USD 253 million, corresponding to a decrease of USD 153 million compared to 2010.

Loss before tax for 2010 was USD 136 million, corresponding to a decrease of USD 117 million compared to 2009.

Net financial expenses for 2010 decreased by USD 12 million to USD 57 million compared to 2009. The most significant reason for this decrease was a reduction in negative fair value adjustments of derivative financial instruments for the year. Fair value adjustments for 2010 include a negative adjustment of USD 3 million relating to purchase options acquired in 2007 as part of the OMI acquisition compared to a negative adjustment of USD 26 million made in 2009.

The Company posted a net loss for 2010 of USD 135 million, corresponding to a decrease of USD 118 million compared to 2009.

For 2010, tax amounted to income of USD 1 million compared to income of USD 2 million for 2009.

Tax for 2010 comprises a current tax expense for the year of USD 1 million and income of USD 2 million due to an adjustment to estimated tax liabilities for the previous years. The deferred tax liability as at December 31, 2010 was USD 54 million compared to USD 55 million for 2009.

Net loss for the year excl. impairment loss for 2010 was USD 100 million, corresponding to a decrease of USD 103 million compared to 2009.

Balance sheet

Total assets as at December 31, 2011 were USD 2,779 million, corresponding to a decrease of USD 507 million compared to December 31, 2010.

The main drivers for the decrease in total assets from 2010 to 2011 were a combination of (i) an increase in freight receivables of USD 32 million, (ii) a decrease in goodwill resulting from the impairment losses of USD 89 million, and (iii) a net decrease in the carrying amount of vessels, including vessels held for sale, capitalized drydocking and prepayments on vessels amounting to a total of USD 438 million.

The carrying value of vessels, including vessels held for sale, capitalized dry-docking and prepayments on vessels as at December 31, 2011 amounted to USD 2,349 million, corresponding to a net decrease of USD 438 million compared to December 31, 2010.

As at December 31, 2011, Management concluded due to weak market fundamentals, which had led to a more cautious view on the short to mid-term freight rates, that the carrying amount of goodwill and vessels in the Tanker Division had been impaired. Consequently, TORM recorded impairment losses of USD 98 million relating to the tanker fleet and USD 89 million relating to goodwill.

Total equity as at December 31, 2011 was USD 644 million, corresponding to a decrease of USD 471 million compared to December 31, 2010. The decrease in equity was mainly due to loss for the year of USD 453 million.

TORM's liabilities decreased by USD 35 million to USD 2,135 million as at December 31, 2011.

Total assets as at December 31, 2010 were USD 3,286 million, corresponding to an increase of USD 59 million compared to December 31, 2009.

The main drivers for the increase in total assets from 2009 to 2010 were a combination of (i) an increase in freight receivables of USD 46 million, (ii) a decrease in investments in and loans to jointly controlled entities of USD 79 million, primarily resulting from the impairment losses of USD 35 million related to the Company’s 50% ownership in the FR8, and (iii) a net increase in the carrying amount of vessels, including vessels held for sale, capitalized drydocking and prepayments on vessels amounting to a total of USD 79 million.

The carrying amount of vessels, including vessels held for sale, capitalized dry-docking and prepayments on vessels as at 31 December 2010, amounted to USD 2,787 million, corresponding to a net increase of USD 79 million compared to 31 December 2009.

Total equity as at December 31, 2010 was USD 1,115 million, corresponding to a decrease of USD 132 million compared to December 31, 2009. The decrease in equity was mainly due to loss for the year of USD 135 million.

TORM's liabilities increased by USD 190 million to USD 2,171 million as at December 31, 2010, primarily due to an increase in mortgage debt and bank loans.

Cash flow

Total net cash flow from operating activities for 2011 amounted to an outflow of USD 75 million against an outflow of USD 1 million for 2010 and an inflow of USD 116 million for 2009.

Net cash flow for 2011 was negatively impacted by an an increase in net working capital of USD 18 million from 2010 to 2011, primarily related to an increase in bunkers of USD 48 million and receivables of USD 45 million together with fair value changes in derivative financial instruments of USD 14 million, partially offset by an increase in trade payables of USD 82 million. Net cash flow for 2010 was negatively impacted by an increase in net working capital of USD 43 million from 2009 to 2010, primarily related to an increase in bunkers of USD 18 million and receivables of USD 42 million, reduced by an increase in trade payables of USD 10 million and fair value changes in derivative financial instruments of USD 12 million.

For 2011, net cash flow from investing activities amounted to an inflow of USD 168 million against an outflow of USD 187 million for 2010 and an outflow of USD 199 million for 2009.

The Company invested USD 118 million in property, plant and equipment during 2011, primarily comprising the deliveries under the newbuilding program, compared to USD 254 million for 2010. Furthermore, the Company generated USD 284 million in cash flow from the sale of vessels compared to USD 64 million for 2010.

The Company invested USD 254 million in property, plant and equipment during 2010, primarily comprising the deliveries under the newbuilding program compared to USD 289 million for 2009. Furthermore, the Company generated USD 64 million in cash flow from the sale of vessels compared to USD 78 million for 2009.

For 2011, net cash flow from financing activities amounted to an outflow of USD 128 million against an inflow of USD 186 million for 2010 and an inflow of USD 37 million for 2009.

For 2011, borrowings generated an inflow of USD 134 million while repayment on mortgage debt and bank loans amounted to USD 262 million. The Company did not pay any dividends to its shareholders during 2011.

In 2010, borrowings generated an inflow of USD 345 million while repayment on mortgage debt and bank loans amounted to USD 159 million. The Company did not pay any dividends to its shareholders during 2010.

9.7 Investments

The table below presents the Company's investments for 2009, 2010 and 2011 and for the nine months ended September 30, 2012 with comparative figures for the same period of 2011:

Table 33: Investments

	Year ended December 31			Q1-Q3	
	2009	**2010**	**2011**	**2011**	**2012**
Investments				**(Unaudited)**	**(Unaudited)**
USD million					
Land and buildings	0	0	0	0	0
Vessels and capitalized dry-docking	44	74	21	11	13
Prepayments on vessels	237	205	95	94	42
Other plant and operating equiptment	7	3	3	2	1
Total	**288**	**282**	**119**	**107**	**57**

Investments in the nine months ended September 30, 2011 and the nine months ended September 30, 2012 comprised primarily of the deliveries under the newbuilding program. The Company invested USD 57 million in fixed assets the nine months ended September 30, 2012 compared to USD 107

million in the nine months ended September 30, 2011.

Investments in 2009, 2010 and 2011 comprised primarily of the deliveries under the newbuilding program. In 2011 the Company decided to eliminate its newbuilding programme through a sale of two Panamax bulk newbuildings and cancellation of two MR product tankers, as part of its overall costs and cash improving initiatives. The elimination of the newbuilding programme significantly affected the investment level compared to 2010 and 2009, and provided CAPEX savings of USD 128 million. The Company invested a total of USD 119 million during 2011 against USD 282 million in 2010 and USD 288 million in 2009.

9.8 Off-balance sheet arrangements

TORM has various contractual obligations and commercial commitments to make future payments including lease obligations and purchase commitments.

The table below summarises the Company's contractual obligations as of the Restructuring. Other than operating leases and other contractual obligations as set out in the table, the Company has not committed to any off-balance sheet arrangements.

Table 34: Contractual obligations, mortgage debt and bankloans as of the Restructuring

USD million	2012	2013	2014	2015	2016	Thereafter	Total
Mortgage debt and bank loans	(1)	(2)	103	96	1,697	0	1,892
Estimated variable interest payments	8	52	54	54	58	0	227
Total	**7**	**50**	**157**	**150**	**1,755**	**0**	**2,119**
Finance lease liabilities	(0)	(2)	(1)	(1)	0	18	15
Interest element finance lease	1	6	7	7	7	5	32
Chartered-in vessels (incl. vessels not delivered (operating lease))	15	61	49	47	20	36	228
Other operating leases	1	7	5	2	1	0	16
Total	**17**	**72**	**59**	**55**	**28**	**60**	**291**
Contractual obligations – as lessor:							
Charter hire income for vessels on time charter and bareboat charter (incl. vessels not delivered (operating lease))	5	23	7	0	0	0	35
Total	**5**	**23**	**7**	**0**	**0**	**0**	**35**

Notes:

1) The presented amounts to be repaid are adjusted by directly related costs arising from the issuing of the loans by USD 21 million, which are amortized over the term of the loans

2) Leases have been entered into with a mutually non-cancelable lease period of up to eight years. Certain leases include a profit sharing element implying that the actual charter hire may be higher. The average period until redelivery of the vessels is 2.4 years

3) *Certain leases include a profit sharing element implying that the actual charter hire may be higher. Charter hire income for vessels on time charter and bareboat charter is recognised under revenue. The average period until redelivery of the vessels is 1.4 years*

9.9 Government, economic, fiscal, monetary or political initiatives

TORM is subject to regulation by a number of governmental, quasi-governmental and private organizations such as the EU, the individual states (flag states), the IMO and classification societies. A large number of international conventions are relevant to the shipping industry. See "Section I – 6.2.6 Regulatory framework in the shipping industry" for a description of government, economic, fiscal, monetary or political initiatives.

See "Risk factors" for a description of risks relating to government, economic, fiscal, monetary or political initiatives.

9.10 Significant events after the balance sheet date

Apart from the signing of the Restructuring Agreement on October 2, 2012 and the completion of the Restructuring on November 5, 2012, Management is not aware of significant events having occurred after the balance sheet date in the interim report for the nine months ended September 30, 2012 that will affect the Company's assets, liabilities or financial position.

On October 2, 2012 TORM entered into the Restructuring Agreement with its Secured Lenders and certain of its major Time Charter-in Counterparties facilitating a restructuring of TORM through a complex of agreements. On November 5, 2012 TORM announced that all completion conditions related to the Restructuring had been fulfilled and that the capital decrease and subsequent capital increase had been registered with the Danish Business Authority and the Restructuring thus was completed. The accounting impact of the Restructuring is described in "Part I – 9.2 Accounting effects from the Restructuring".

See "Part I – 6. Business" and "Part I – 6.1.2 The Restructuring" for further details.

10. Capital resources

10.1 Capital resources and cash flows

TORM's primary application of cash funds relates to operating expenses, financial expenses (interest payment and debt repayment), and investments in ships. Payment of amounts outstanding under loan agreements, along with payment of charter hire for chartered-in vessels and all other commitments that TORM has entered into is made from the cash available to the Company from time to time.

The Company's primary sources of cash funds are cash flows from operations, bank loans and other debt or equity financing. As at November 5, 2012, the Company had cash in the approximate amount of USD 25 million and undrawn credit lines of approximately USD 40 million of total credit facilities of USD 1,946 million. USD 1,906 million of TORM's credit facilities carried variable interest rates. The credit agreements are dedicated to the ongoing financing of the operation of existing vessels. See "Part I – 9. Operating and financial review" for a description of the Company's cash flow trends.

As at September 30, 2012 TORM had short-term liabilities of USD 47 million related to one finance lease which has been terminated as part of the Restructuring. The table below gives an overview of the Company's long-term debt as at November 5, 2012.

Table 35: TORM's long-term mortage debt, bank loans and finance lease including short part hereof, USD million as of the Restructuring

Facility	Maturity date	Total outstanding debt (USD millions)	Undrawn amount (USD millions)
Danske Bank A/S, BNP PARIBAS, HSH Nordbank AG and Skandinaviska Enskilda Banken AB	December 31, 2016	715	-
Nordea Bank Danmark A/S, Nordea Bank Finland plc, Deutsche Bank AG, Handelsbanken and HSH Nordbank AG	December 31, 2016	470	-
Danmarks Skibskredit A/S	December 31, 2016	223	-
Société Générale and Bank of China Limited	December 31, 2016	121	-
The Export-Import Bank of China (CEXIM)	December 31, 2016	107	-
Unicredit and DBS Bank	December 31, 2016	106	-
The Hong Kong and Shanghai Corporation Limited and DBS Bank Ltd.	December 31, 2016	104	-
Total debt under the Framework Agreement		**1,846**	**-**
AONO and T&T Marine S.A. (finance lease liability)[1]	July 13, 2017	15	-
Super Senior Working Capital Facility	September 30, 2014	60	40
Total long term mortage debt, bank loans and finance lease		**1,921**	**40**

Note: (1) Excluding a potential repurchase obligation of USD 19 million

The total of USD 1,846 million in debt under the Framework Agreement is split in senior debt of USD 1,020 million, junior debt of USD 466 million and subordinated debt (sub-divided into subordinated debt tranches 1 and 2) of USD 360 million. Please see "Part I – 22. Material contracts" for further details.

10.2 Borrowing requirements and financing structure

TORM's long-term borrowing facilities are subject to terms that TORM must comply with in order to maintain the facilities, including financial and operational covenants and default provisions. In addition TORM is limited in the use of its capital resources by restrictions in the Financing Agreements entered into in connection with the Restructuring Agreement that could have material direct or indirect impact on TORM. See "Part I – 6.1.2 The Restructuring" for a description of the Restructuring Agreement, "Part II – 3.1 Working capital" for a description of the testing of the financial covenants during the 12 months following the Listing Prospectus Date and "Risk factors" for a description of related risks, including in relation to the restrictions in TORM's Financing Agreements on obtaining additional funding in the future, such as the prohibited from taking on further indebtedness and issuing new capital.

11. Research and development, patents and licences

TORM has no material patents. TORM does not use any licenses other than ordinary IT licenses.

TORM has trademark registered the rights to the company's name and logo, being TORM (word) and the TORM flag (trademark).

TORM has registered the domains used by TORM. The primary domains are: www.torm.com, www.torm.dk and www.torm.eu.

12. Trend information

The world economy continues to be affected by the recession and is expected to grow at moderate rates in 2012. There is, however, great variance among regions as growth rates for the European countries and the U.S. are either negative or very moderate, which is outpaced by the growth rates for China and India. The shipping sector has been heavily influenced by this development as this – besides a generally lower demand for goods and services – has resulted in changes in the pattern of trade flows and fossil fuel consumption as more demand moves towards the growing Chinese economy.

Shipping is by nature a very difficult market to predict as shipbuilding and ultimately fleet growth follows a long-term cycle and trade growth short-term cycles; whilst both are characterized with significant year-on-year variations. These factors combined with other influencing parameters (such as change in trade patterns, new regulatory requirements and fluctuating fuel prices) makes forecasting in the shipping industry difficult and on this basis, any view on the future direction of the shipping market will be filled with great uncertainty.

12.1 Tanker Division

The global product tanker fleet has increased in recent years as the strong economic growth prior to 2008 led to significant investments in newbuildings. However, the economic slowdown combined with deteriorating freight rates have led to a significant decrease in orders. As a result, the year-on-year growth in the product tanker fleet is expected to decline in the coming years but currently there is a supply overhang of tonnage. The product tanker freight rates were in the third quarter of 2012 at seasonally low levels however they have increased through first part of fourth quarter of 2012.

12.2 Bulk Division

Recent years have seen an expansion in the global drybulk fleet as the economic growth prior to 2008 incentivized drybulk shippers to invest in fleet expansions. However, the economic slowdown caused freight rates to drop, which in turn caused a decrease in the number of newbuilding orders, and the net fleet growth is expected to decline in the coming years but currently there is a supply overhang of tonnage.

The freight rates for all bulk segments suffered in the third quarter of 2012 and have continued at low levels through first part of fourth quarter of 2012.

For further information on the expected market development and the Company's expectations for the current fiscal year, reference is made to "Part I – 6. Business" and "Part I – 13. Prospective financial information".

13. Prospective consolidated financial information

13.1 Statement by Management

Management presents the prospective consolidated financial information for TORM for 2012 in the following. The prospective consolidated financial information for 2012 has been prepared according to the methodology and based on the material assumptions set out in "Part I – 13.4 Methodology and assumptions" and the accounting policies set out in the Company's annual report for the financial year ended December 31, 2011.

The prospective consolidated financial information for 2012 is based on a number of assumptions, some of which are beyond the Company's control and influence.

The prospective consolidated financial information for 2012 represents Management's best estimates at the Listing Prospectus Date. However, the prospective consolidated financial information for 2012 contains estimates, assessments and assertions that are subject to considerable uncertainty. In addition to the uncertainties related to the methodology and assumptions used, addressed in "Part I – 13.4 Methodology and assumptions", potential risks and uncertainties comprise, without limitation, those referred to in "Risk Factors".

Actual results are likely to be different from the prospective consolidated financial information for 2012 since anticipated events frequently do not occur as expected, and the variation may be material.

Hellerup, December 7, 2012

Board of Directors

Niels Erik Nielsen *Chairman*	Christian Frigast *Deputy Chairman*	Jesper Jarlbæk
Kári Millum Garðarnar *Employee representative*	Rasmus J.S. Hoffmann *Employee representative*	

Executive Management

Jacob Meldgaard *CEO*	Roland M. Andersen *CFO*

13.2 Independent auditors' report on examination of Managements prospective consolidated financial information of TORM A/S for 2012

To the readers of this Listing Prospectus
We have examined the prospective consolidated financial information of TORM A/S for the financial year 2012 as included in Part I, section 13 on "Prospective consolidated financial information" in the Listing Prospectus.

This report has been prepared only for the use of shareholders and potential investors for the purpose of subscribing for shares in the Company.

Management's responsibility
The Company's Management is responsible for the preparation of the prospective consolidated financial information on the basis of the significant assumptions disclosed in Part I of the Listing Prospectus, section 13 on "Prospective consolidated financial information", and in accordance with applicable accounting policies of the Company, as described in the Company's annual report for 2011. In addition, Management is responsible for selecting the assumptions underlying the prospective consolidated financial information.

Auditors' responsibility
Our responsibility is to express an opinion on the prospective consolidated financial information based on our examination. We conducted our examination in accordance with ISAE 3000 DK, "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information, and additional requirements under Danish audit regulation" to obtain reasonable assurance about whether the prospective consolidated financial information has, in all material respects, been prepared on the basis of the assumptions disclosed and in accordance with the accounting policies applicable to the Company. As part of our examination we tested whether the prospective consolidated financial information were prepared on the basis of the assumptions disclosed and the accounting policies applicable to the Company, including checking the figures of the prospective consolidated financial information for consistency.

We believe that our examinations provide a reasonable basis for our opinion.

Opinion
In our opinion, the prospective consolidated financial information for the financial year 2012 have, in all material respects, been prepared on the basis of the assumptions disclosed in Part I of the Listing Prospectus, section 13 on "Prospective consolidated financial information" and in accordance with the accounting policies applicable to the Company.

Actual results are likely to be different from the prospective consolidated financial information since anticipated events frequently do not occur as expected. Such variation may be material. Our examination did not include an assessment as to whether the assumptions applied are valid or whether the prospective consolidated financial information are realisable and, accordingly, we do not express an opinion thereon.

Copenhagen, December 7, 2012

Deloitte
Deloitte Statsautoriseret Revisionspartnerselskab

Anders Dons	Henrik Kjelgaard
State Authorised	State Authorised
Public Accountant	Public Accountant

13.3 Introduction to prospective consolidated financial information

The prospective consolidated financial information has been prepared on the basis of the Company's accounting policies, as described in the annual report 2011. The Company's prospective consolidated financial information for 2012 is based on a number of estimates, assessments and assertions which, while presented with numerical specificity and considered reasonable by Management, are inherently subject to significant business, operational and economic uncertainties, many of which are beyond the Company's and Managements control.

Further, the expectations for future periods have been prepared on the basis of assumptions with respect to future business decisions that may not be made as assumed. The most significant of the assumptions for the financial year 2012 are described in "Methodology and assumptions" below.

The prospective consolidated financial information for 2012 represents Management's best estimates at the Listing Prospectus Date. The prospective consolidated financial information contains estimates and forward-looking statements which are subject to uncertainty, see "Risk factors".

Actual results are likely to be different from the prospective consolidated financial information for 2012 since anticipated events frequently do not occur as expected, and the variation may be material.

The prospective consolidated financial information for 2012 in this section should be read in conjunction with "Risk factors", included elsewhere in this Listing Prospectus.

13.4 Methodology and assumptions

13.4.1 Methodology

The prospective consolidated financial information for 2012 has been prepared on the basis of the Company's accounting policies set out in the Company's annual report for 2011. Furthermore the prospective consolidated financial information for 2012 has been prepared in accordance with the Company's normal budgeting procedure and internal procedures for preparing forecasts for future periods. The Company's prospective consolidated financial information for 2012 is based on realised figures for the nine months ended September 30, 2012 with the addition of the Company's profit or loss forecast for the subsequent three months of 2012 prepared by Management.

The prospective consolidated financial information for 2012 is prepared on the basis of the current strategy with the newly imposed restrictions under the Financing Agreements following the completion of the Restructuring Agreement. Reference is made to "Part I – 6.1.2 The Restructuring" and "Part I – 6.1 Description of TORM's activities". There can be no assurance that the strategy will not be changed by a new board of directors or if Management becomes aware of new circumstances or if the underlying market conditions change.

13.4.2 Assumptions

The prospective consolidated financial information for 2012 is based on the following key assumptions which, unless otherwise indicated, are considered to be under TORM's control or influence:

- The remainder of 2012 is assumed to be a challenging period as the balance between supply and demand, which is not considered to be under TORM's control, remains affected by the excess supply of tonnage in the tanker and bulk segments following the significant addition of tonnage in 2009, 2010 and 2011

- TCE earnings are estimated on the basis of assumed freight rates multiplied by the number of earning days, earning days being measured as the sum of owned and chartered days less off-hire days and assumed freight rates being the weighted average of the contracted freight rates for the covered earning days and the assumed forward spot freight rates for the open earning days. Forward spot freight rates on open earning days for the remaining three months

of 2012 in both the Tanker and the Bulk Division are considered to be beyond the Company's control

- TORM's total earning days for 2012 are based on tables 6 and 8 in "Part I – 6.1.4 Business areas". The table reflects TORM's expected owned and T/C in days with the effects of the Restructuring included. The estimated owned days is based on assumption of no further sale of vessels in 2012

- As of September 30, 2012 with the effects of the Restructuring included TORM has 7,164 earning days in the Tanker Division for the remaining three months of 2012. As of September 30, 2012, with the effects of the Restructuring included, the Tanker Division had covered 15% of the total earning days for the remaining three months of 2012 at an average rate of USD 13,944 per day. TORM assumes average forward spot freight rates of around USD 11,500 per day for the total open earning days in the Tanker Division in the last three months of 2012

- As of September 30, 2012, with the effects of the Restructuring included, TORM has 1,330 earning days in the Bulk Division for the remaining three months of 2012. As of September 30, 2012 with the effects of the Restructuring included, the Bulk Division had covered 103% of the total earning days for the remaining three months of 2012 at an average rate of USD 10,694 per day. TORM assumes average forward spot freight rates of around USD 6,500 per day for the total open earning days in the Bulk Division in the last three months of 2012

- Costs of operating vessels, including charter contracts, are estimated on the basis of earning days in the Tanker and Bulk Division for the remaining three months of 2012, historical experience, assumptions to price developments and other agreements. Staff costs are estimated on the basis of planned operations, collective agreements and other agreements

- Depreciation for 2012 is based on applying the straight-line method and a useful life for the Company's vessels of 25 years

- As of September 30, 2012 TORM has a total interest bearing debt of USD 1,871 million. As per November 2, 2012 the Company's interest hedging agreements were closed and capitalized and added to the interest bearing debt. The interest cost is based on the LIBOR forward curve. The LIBOR is considered to be beyond the Company's control

- During the first nine months of 2012 TORM has incurred the following expenses:

    - Loss from sale of vessels of USD 16 million

    - Impairment loss of USD 42 million relating the Company's 50% ownership of FR8

    - Advisor costs of USD 55 million relating to the financing and restructuring plan

  Apart from the effects of the Restructuring TORM assumes no further impairment loses or gain/loss from sale of vessels in 2012. The lenders under one of the Company's bank facilities have exercised their option to initiate a sales process of the five vessels financed by that facility. If Management at year end expects that these five vessels will be sold within 12 months, then the vessels will be reclassified from "Non-current assets" to "Assets held for sale". This will impact impairment losses with the difference between the expected sales price and the book value. The book value for the five vessels was USD 210 million as per September 30, 2012 and the market value based on broker valuations was USD 141 million as per September 30, 2012 assuming that the expected sales price will equal broker value the loss will be approximately USD 69 million based on September 30, 2012 values. See also "Part I – 6.1.2. The Restructuring" and "Part I – 22. Material Contracts" for a further description of the Restructuring, the options and the treatment of outstanding debt under the relevant facility relating to any vessels sold upon exercise of an option.

  In the fourth quarter of 2012, TORM estimates further advisor costs of USD 10 million related

to the financing and restructuring plan.

- Based on a net loss of USD 145 million from the completion of the Restructuring Agreement and certain related agreements as presented in "Part I – 9.2. Accounting effects from The Restructuring" a net loss of USD 150 million is included in the prospective consolidated financial information for 2012

13.5 Prospective consolidated financial information for 2012

Management expects a loss before tax of around USD 500–530 million for 2012, including the accounting effects of the Restructuring and excluding further vessel sales and potential impairment charges. The full-year expectations for 2012 are subject to uncertainty due to the instability of the global economy, the volatility in the freight rates and TORM's open earning days in the product tanker segment/ability to cover its open earning days at the assumed rates.

As 6,046 earning days for 2012 are uncovered as of September 30, 2012 with the effects of the Restructuring included, a change in freight rates of USD/day 1,000 will impact the loss before tax by approximately USD 6 million. As of September 30, 2012 with the effects of the Restructuring included, TORM had covered 15% of the remaining earning days in 2012 in the Tanker Division at USD/day 13,944 and 103% of the remaining earning days in the Bulk Division at USD/day 10,694.

Table 36: 2012 Net Profit sensitivity to change in freight rates

	Net profit sensitivity to change in freight rates (USD/day)			
USD million	**-2,000**	**-1,000**	**1,000**	**2,000**
LR2	-1	-1	1	1
LR1	-2	-1	1	2
MR	-6	-3	3	6
SR	-2	-1	1	2
Tanker Division	**-12**	**-6**	**6**	**12**
Bulk Division	**0**	**0**	**0**	**0**
Total	**-12**	**-6**	**6**	**12**

14. Board of Directors and Executive Management

14.1 Board of Directors

The Company's Board of Directors currently consists of five members and one alternate member as listed in the table below. TORM will convene an extraordinary general meeting after publication of this Listing Prospectus with the purpose, inter alia, of electing new members to the Board of Directors. It is expected that the general meeting will elect new board members which may replace one or more of the current shareholder elected board members. See "Part I – 21.7 Extraordinary general meeting".

The business address for the members of the Board of Directors is: Tuborg Havnevej 18, 2900 Hellerup, Denmark.

Table 37: Board of Directors

Name	Born	Member Since	Re-election	Position
Niels Erik Nielsen (2)	1948	2000	2013	Chairman
Christian Frigast (1), (2)	1951	2000	2013	Deputy Chairman
Jesper Jarlbæk (1), (2), (3)	1956	2009	2013	Member
Kári Millum Garðarnar	1951	2011	2015	Member (elected by the employees)
Rasmus J.S. Hoffmann	1977	2011	2015	Member (elected by the employees)

Notes:
(1) Member of the Audit Committee.
(2) Member of the Remuneration Committee
(3) *Designated committee member with qualifications within accounting and auditing*

The Company believes that all members of the Board of Directors possess the professional and international experience required to serve as a Board member.

Niels Erik Nielsen – *Board member (Chairman)*
Mr. Nielsen became Chairman of TORM in April 2002 and has been a member of the Board of Directors since September 2000. Mr. Nielsen holds a law degree from the University of Copenhagen and is a partner with the Danish law firm Lett Advokatfirma. Mr. Nielsen is chairman of the Company's Remuneration Committee.

Mr. Nielsen is currently chairman of the board of directors of Charles Christensen A/S, Gammelrand Holding A/S, Ejendomsaktieselskabet Matr. 43 EI Avedøre by, Pele Holding A/S, P.O.A. Ejendomme A/S, Charles Gulve Engros A/S, AMBU A/S, Kirk & Thorsen Invest A/S, Gammelrand Beton A/S, Gammelrand Skærvefabrik A/S and Intermail A/S.

Within the past five years, Mr. Nielsen has been chairman of the board of directors of Smartguy Group A/S (formerly SCF Technologies A/S), Satair A/S, Satair Service A/S (dissolved by declaration), Amagerbanken Aktieselskab, Cimber Sterling A/S, Cimber Sterling Group A/S, Olsen Biler Administration A/S, Olsen Biler Ringsted-Haslev A/S, Carepoint Haslev/Ringsted A/S, GPV Industri A/S (in bankruptcy), GPV International A/S and Advokatselskabet Bech-Bruun International A/S (dissolved following a liquidation).

Within the past five years, Mr. Nielsen has been member of the board of directors of Danica-Elektronik ApS (dissolved following merger), Ejendomsaktieselskabet Matr. 43 EI Avedøre by, Henrik Olsen Automobiler A/S, Sterling Air A/S (dissolved following a merger) and Weibel Scientific A/S.

Within the past five years, Mr. Nielsen has been a partner with the Danish law firm Bech-Bruun.

Christian Frigast – Board member *(Deputy Chairman)*
Mr. Frigast became Deputy Chairman in April 2002. Mr. Frigast has been a member of the Board of Directors of the Company since September 2000. He is the Managing Director of Axcel A/S, a Danish investment company, and holds a M.Sc. (Econ) from the University of Copenhagen. Mr. Frigast is chairman of TORM's Audit Committee and a member of the Remuneration Committee.

Mr. Frigast is currently chairman of the board of directors of MNGT Holding 2 K/S, MNGT2 ApS, MNGT Komplementar ApS, Axcel Prometheus Newco 4 ApS, Axcel Prometheus Newco 3 ApS, Axcel Prometheus Newco 2 ApS, Axcel Prometheus Newco ApS, Axcel Prometheus Invest 1 ApS, Axcel Prometheus Invest 2 ApS, AX Cimbria Invest ApS, AX IV Cimbria INV 1 ApS, AX IV Cimbria INV 2 ApS, Prometheus Invest ApS, AX NO Invest ApS, AXNO InvCo ApS, Axcel III G.P. ApS, AXIII MP Holding ApS, Management InvCo A/S, Royal Scandinavia Invest A/S and Junckers Holding A/S.

Mr. Frigast is a member of the board of directors of AX IV MITA INV 1 ApS, AX IV MITA INV 2 ApS, Pandora A/S, Axcel Management A/S, Royal Scandinavia A/S, KIFU-AX II A/S and Danish Venture Capital and Private Equity Association.

Mr. Frigast is a member of the executive management of CCTC D1 ApS, CCTC D2 ApS, CCTC D3 ApS, CCTC Invest ApS, MNGT1 ApS, Axcel Industriinvestor A/S, Axcel II A/S, Axcel III KS Invest ApS, Axcel Management A/S, Axcel II Management A/S and MP-AX I Invest ApS.

Within the past five years, Mr. Frigast has been chairman of the board of directors of IDInvest AX 2011 ApS, IDInvest 2011 ApS, IDInvest ApS, AFMS InvestCo NewCo ApS, EGA InvCo NewCo ApS, ESKO-Graphics A/S, ANI InvestCo 2 NewCo ApS, AX IV Waterproofing INV 1 ApS, AX IV Waterproofing INV 2 ApS, KW Invest ApS, KTI Invest A/S (dissolved following a liquidation), ICP Invest A/S (dissolved following a liquidation), LGT1 Invest NewCo ApS,Nordic Waterproofing 2 ApS, Nordic Waterproofing 3 ApS, EGA 2008 ApS (dissolved following a merger), AX3 InvestCo ApS, ESKO-Graphics Holding A/S (dissolved following a merger), ESKO-Graphics Invest A/S (dissolved following a merger), EGA InvCo ApS (dissolved following a merger), EGA Invest ApS (dissolved following a merger), Axcel-Junckers Invest A/S,, IDDesign Holding 2011 A/S, AXCIM Invest A/S, MNGT4 NewCo ApS (dissolved following a demerger), Datoselskabet – 6 juli 2011 ApS (dissolved following a liquidation), MNGT4 ApS (dissolved following a demerger), Axcel PANDORA InvCo ApS (dissolved following a merger), MNGT Holding A/S (dissolved following a demerger), PANDORA Int. ApS, Pandora A/S, AXLGT InvestCo NewCo ApS, MNGT Holding 2 K/S, , MNGT3 ApS (dissolved following a demerger), MNGT4 ApS (dissolved following a demerger), MNGT1 ApS and Prometheus Invest ApS.

Within the past five years, Mr. Frigast has been member of the board of directors of AX Ball Invest ApS, AXBL Invco ApS, TCM Invest A/S, AXIII TCM InvCo ApS, AXTCM Invest ApS, BB Electronics Invest ApS, Door Holding A/S (dissolved following a liquidation), NN AX 1 ApS, NN AX 2 ApS, Noa Noa ApS, Invest-AX II A/S (dissolved following a liquidation), BMP-AX II A/S (dissolved following a merger), KFU-AX II A/S (dissolved following a merger), P-AX II A/S (dissolved following a merger), VLBMP-AX II A/S (dissolved following a merger), VL-AX II A/S (dissolved following a merger), MNGT1 ApS, MNGT3 ApS (dissolved following a demerger), MNGT4 ApS (dissolved following a demerger) Ejendomsselskabet af 7. maj 2008 ApS, TCM Management Invest ApS, 6. August 2010 A/S, IDdesign A/S, FM-Søkjær Holding 1 A/S, TTG Invest A/S (dissolved following a liquidation) and Aztec Holding A/S (dissolved following a demerger).

Jesper Jarlbæk - *Board member*
Mr. Jarlbæk became a member of the Board of Directors in April 2009. Between 1974 and 2002, Mr. Jarlbæk was employed with Arthur Andersen most recently holding a position as managing partner. From 2002 to February 2006, Mr. Jarlbæk was Managing Partner with Deloitte (Denmark) in charge of Advisory services. He holds an HD Diploma (Accounting and Financial Management) from Copenhagen Business School (graduated in 1978) and is a state-authorised public accountant. Mr. Jarlbæk is a member of the Company's Audit Committee and a member of the Remuneration Committee.

Mr. Jarlbæk is currently chairman of the board of directors of Basico Consulting International ApS, Valuemaker ApS, Spoing A/S, Advis A/S, Basico Consulting A/S, Jaws A/S, Julie Sandlau China ApS, Groupcare A/S, Groupcare Holding A/S, ShowMe ApS, Altius Invest A/S and Business Angels Copenhagen.

Mr. Jarlbæk is Vice-Chairman of the Danish Venture Capital and Private Equity Association.

Mr. Jarlbæk is a member of the board of directors of Københavns Privathospital A/S, Bang & Olufsen A/S, Økonomiforum ApS, Polaris III Invest Fonden, TK Development A/S, Earlbrook Holdings LTD.

A/S, IT2 Treasury Solutions Ltd (UK) and Sailing Denmark.

Mr. Jarlbæk is a member of the executive management of Timpco ApS, SCSK 2272 ApS And Earlbrook Holdings LTD. A/S.

Within the past five years, Mr. Jarlbæk has been chairman of the board of directors of Prospect A/S, GC Infotech Denmark A/S (dissolved following a merger), Advis Technologies A/S (dissolved following a merger), Radiocomp ApS and Groupcare International A/S (dissolved following a merger).

Within the past five years, Mr. Jarlbæk has been member of the board of directors of Cimber Sterling A/S (in bankruptcy), Cimber Sterling Group A/S (in bankruptcy), BK 28.03.2012 A/S (in bankruptcy), Bang & Olufsen Operations A/S, Runghus Invest A/S, International Rescue Journal ApS, T.P. Audit A/S, Laigaard & Partners A/S, Proflex ADM. ApS, Ascendi A/S, Acando Denmark A/S and Scan Jour A/S

Within the past five years, Mr. Jarlbæk has been member of the executive management of 2L Group ApS.

Kári Millum Garðarnar – *Board member*
Mr. Garðarnar became a member of the Board of Directors in April 2011 and is a representative of the employees of TORM on the Board of Directors. Mr. Garðarnar has been employed with the Company from 1975 until 1986 and again since 1990. He holds a master licence of navigation and is employed with the Company as a master mariner.

Mr. Garðarnar holds no managerial positions or directorship in other companies and has not held any such position within the past five years.

Rasmus J.S. Hoffmann – *Board member*
Mr. Hoffmann became a member of the Board of Directors in April 2011 and is a representative of the employees of TORM on the Board of Directors. Mr. Hoffmann holds a Chief Engineer diploma and has been employed with the Company as Engineer since 2003.

Mr. Hoffmann holds no managerial positions or directorship in other companies and has not held any such position within the past five years.

14.2 Executive Management

Below is set out the name, year of birth and position of the Executive Management. The business address for the members of the Executive Management is: Tuborg Havnevej 18, 2900 Hellerup, Denmark.

Table 38: Executive Management

Name	Born	Position
Jacob Meldgaard	1968	Chief Executive Officer
Roland M. Andersen	1968	Chief Financial Officer

Jacob Meldgaard and Roland M. Andersen are registered as the Company's Chief Executive Officer and Chief Financial Officer, respectively, with the Danish Business Authority.

Jacob Meldgaard – Chief Executive Officer
Jacob Meldgaard has been the Company's Chief Executive Officer since April, 2010. Before this, Mr. Meldgaard served as Executive Vice President and member of the Executive Management in Dampskibsselskabet Norden A/S. Mr. Meldgaard holds a Bachelor's degree in international trade from Copenhagen Business School, Denmark and has attended the Advanced Management Program at Wharton Business School and Harvard Business School in the United States.

Mr. Meldgaard is a member of the board of directors of ApS Habro Komplementar-43, K/S Habro Edinburgh, Grassmarket, Golfloop ApS, K/S Danskib 41, Syfoglomad Limited and FR8 Holdings Pte. Ltd.

Mr. Meldgaard is a member of the executive management of JAME Ship ApS and JAME Invest ApS.

Within the past five years, Mr. Meldgaard has been chairman of the board of directors of Norden Derivatives A/S (dissolved following a statement of payment).

Within the past five years, Mr. Meldgaard has been member of the board of directors of K/S Navision Alliance, ApS Habro Komplementar-36, K/S Habro – Aberdeen, K/S Navision Leader, K/S Danskib 47 and K/S Danskib 31

Within the past five years, Mr. Meldgaard has been on the executive management of JAME Holding ApS (dissolved following a merger) and JAME Shipping ApS (dissolved following a merger).

Roland M. Andersen – Chief Financial Officer
Roland M. Andersen has been the Company's Chief Financial Officer since May 2008. Before this, Mr. Andersen served as Chief Financial Officer for the Danish mobile and broadband provider Sonofon/Cybercity. From 2000 to 2005, Mr. Andersen was the Chief Financial Officer of private equity-owned Cybercity. Prior to 2000, he held various positions with A.P. Møller-Maersk, the latest position being Chief Financial Officer for A.P. Møller-Maersk Singapore. Mr. Andersen holds a M.Sc. in corporate finance and marketing and has attended the Executive Program at London Business School.

Mr. Andersen is a member of the executive management of R52888 ApS.

Within the past five years, Mr. Andersen has been member of the board of directors of DMT2 A/S (dissolved following a merger), CBB Mobil A/S, Telenor Butikken A/S (dissolved following a merger) and FR8 Holdings Pte. Ltd.

Within the past five years, Mr. Andersen has been a member of the executive management of Telenor A/S, Telenor Danmark Holding A/S, Utfors Danmark A/S and Cybercity A/S (dissolved following a merger).

14.3 Statement on past records of the Board of Directors and the Executive Management

Within the past five years, none of the members of the Board of Directors or the Executive Management has been (i) convicted of fraudulent offences or (ii) subject to any official public incriminations and/or sanctions by statutory or regulatory authorities (including designated professional bodies) except that in June 2009 Niels Erik Nielsen was given a fine by the Disciplinary Board of the Danish Bar and Law Society for breach of the code of conduct for lawyers or (iii) disqualified by a court from acting as a member of the administrative, management or supervisory bodies of an issuer or from acting in the management or conduct of the affairs of any issuer.

Within the past five years, no member of the Board of Directors or the Executive Management has participated in the management of any company that has initiated insolvency proceedings, receiverships or has entered into liquidation, apart from what is set out above.

14.4 Statement of kinship and statement of conflict of interest

None of the members of the Board of Directors or the Executive Management have conflicts of interest with respect to their duties as members of the Board of Directors or the Executive Management

There are no family ties among the members of the Board of Directors or the Executive Management.

The Company is not aware of any of the members of the Board of Directors and the Executive

Management being appointed to their current position pursuant to an agreement or understanding with major shareholders, customers, suppliers or other parties.

None of the members of the Board of Directors or Executive Management have positions in other companies which could result in a conflict of interest vis-à-vis such companies except as disclosed in "Part I – 19. Related party transactions". See also "Part I – 17.2 Shareholdings of the Board of Directors end the Executive Management" for a description of the current shareholdings in the Company held by members of the Board of Directors or the Executive Management. The Company is not aware of actual or potential conflict of interests that exist between any duties of the members of the Board of Directors or the Executive Management towards the Company and these persons' private interests and/or duties to other persons. It follows from the Rules of Procedure of the Board of Directors and the Executive Management that no member of the Board of Directors or the Executive Management may participate in the transaction of business concerning an agreement between the Company and a Management member or concerning legal action brought against a Management member. The same applies to the transaction of business concerning an agreement between the Company and a third party or legal action brought against a third party if the Management member has a material interest in such agreement or action that may conflict with the interest of the Company.

See "Part II – 7. Selling shareholders and lock-up agreements" for a description of lock-up.

15. Remuneration and benefits

15.1 Remuneration of the Board of Directors

The aggregate remuneration in 2011 of the Board of Directors including seven former board members; the Audit Committee and the Remuneration Committee set up by the Board of Directors was USD 925,000, of which the Chairman received USD 196,000, the Deputy Chairman USD 140,000, and the ordinary members USD 589,000 in total.

The Company has not granted any loans, issued any guarantees or undertaken similar obligations to or on behalf of the Board of Directors or any of its members. TORM has not allocated funds to provide pension, retirement or similar benefit to the members of the Board of Directors.

No member of the Board of Directors is entitled to any kind of remuneration upon retirement from their office as Board member other than ordinary remuneration on a pro rata basis.

15.2 Remuneration of the Executive Management

In 2011, the aggregate remuneration of the Executive Management amounted to USD 2,205,000, which was distributed as follows:

Table 39: Remuneration of the executive management in 2011

USD '000	Salaries	Bonus	Pension	Share-based compensation	Total
Jacob Meldgaard	1,003	0	0	227	1,230
Roland M. Andersen	722	0	22	231	975
Total for 2011	**1,725**	**0**	**22**	**458**	**2,205**

For the financial year ended December 31, 2011, the remuneration to the Executive Management consisted of a fixed salary (including pension contributions to the CFO) and standard benefits consisting of typical executive management fringe benefits. In addition, the members of the Executive Management participated in the Company's annual cash bonus, discretionary cash bonus and extraordinary bonus schemes. See "Part I – 16.7 Guidelines for incentive schemes".

The Company has not granted any loans, or issued any guarantees or undertaken similar obligations to or on behalf of the Executive Management or any of its members. TORM has not allocated funds to provide pension, retirement or similar benefit to the Executive Management.

The Company may dismiss the CEO at 12 months' notice to the end of a month, and the CEO may terminate his contract at six months' notice to the end of a month.

The Company may dismiss the CFO at 12 months' notice to the end of a month, and the CFO may terminate his contract at six months' notice to the end of a month. In addition, the CFO is, in certain circumstances, entitled to receive severance pay corresponding to 12 to 24 months' pay, including all pay components and proportionate bonus payments.

In case of a change of control, as further specified in the CEO's service agreement, the CEO may, within three months from the date of the change, terminate his employment at six months' notice and retain the same rights as if the Company had dismissed the CEO. In case of a change of control, and/or a delisting of the Company, as further specified in the CFO's service agreement, the CFO may, within three months from the date of the change, terminate his employment at six months' notice. In such case the CFO is, in addition to remuneration in the notice period, entitled to receive severance pay corresponding to 24 months' pay, including all pay components and proportionate bonus payments.

The CEO is subject to global non-competition and non-solicitation clauses for a period of 12 months. During the effective period of these clauses, the CEO is entitled to a monthly compensation corresponding to 100% of his salary, including the fixed salary, tax value of benefits and a proportionate part of the average annual cash bonus and discretionary bonus paid out during the previous three calendar years. The non-competition clause may be terminated at one month's notice. However, should both the non-competition and the non-solicitation clauses be effective, the compensation only becomes payable once.

The CFO is also subject to a global non-competition clause, restraining him from competitive activities during 12 months from expiry of the notice period. The clause contains no provisions on compensation.

Under mandatory Danish law, non-competition clauses cannot be enforced after expiry of the notice period if termination is initiated by the Company without the member of the Executive Management having given reasonable cause for the dismissal.

15.3 Shareholdings of the Board of Directors and the Executive Management

See "Part I – 17.2 Shareholdings of the Board of Directors and the Executive Management" for information on the holdings of shares and share options of the individual members of the Board of Directors and the Executive Management.

16. Practices of the Board of Directors and the Executive Management

16.1 Practices of the Board of Directors

The Board of Directors is entrusted with the overall responsibility for the Company and the supervision and appointment of the Executive Management. The duties of the Board of Directors include establishing policies for strategy, accounting, organisation and finance, and the appointment of executive officers. The primary responsibilities of the Board of Directors are to safeguard the interests of shareholders with due regard to the other stakeholders of the company and ensure that the Company is properly managed in accordance with the applicable articles of association, laws and regulations and to pursue the commercial objectives as well as the strategic development of the Company.

The Board of Directors convenes regularly and conducts its business according to its Rules of Procedure. The contents of the Rules of Procedures are reviewed at least annually to ensure that the Rules of Procedure are up-to-date and adapted to the needs of the Company. Regular board meetings include an in-depth report from the Executive Management to the Board of Directors regarding the Company's operational status and progress.

The seniority, the date of expiration of the current term of office and the positions of the members of the Board of Directors are set out in "Part I - Board of Directors and Executive Management" above.

The Board of Directors has established a Remuneration Committee and an Audit Committee.

16.2 Practices of the Executive Management

Members of the Executive Management are employed by the Board of Directors which lays down their terms and conditions of employment and the framework for their duties. The Executive Management is responsible for the day-to-day management of the Company, including the Company's operational development, results and internal development, and for implementing the strategies and the overall decisions approved by the Board of Directors.

The delegation of responsibilities to the Executive Management by the Board of Directors is laid down in the Rules of Procedure of the Board of Directors. Detailed procedures have been defined for the Executive Management's reporting and communication with a view to ensuring that relevant and necessary information is regularly provided to the Board of Directors. It is the responsibility of the Executive Management to ensure that all procedures, book-keeping and accounting processes are reasonable and appropriate.

Transactions of an unusual nature or of major importance may only be effected by the Executive Management on the basis of a special authorisation granted by the Board of Directors. In the event that certain transactions cannot await the approval of the board of directors, taking into consideration the best interests of the Company, the Executive Management shall, to the extent possible, obtain the approval of the chairman of the Board of Directors and ensure that the Board of Directors is subsequently given notice of such transactions passed. Transactions of an unusual nature or of major importance are defined in the Rules of Procedure of the Board of Directors and include, inter alia, acquisition and disposal of vessels.

16.3 Information regarding contract terms of the Executive Management

See "Part I – 15. Remuneration and benefits" for a description of the employment contracts of the Executive Management.

16.4 Committees

The Audit Committee
The purpose of the Audit Committee is to assist the Board of Directors in fulfilling its responsibilities to ensure the quality and integrity of the accounting, auditing and financial reporting of the Company. The Audit Committee meets at least four times a year, and both the CFO, the head of the accounting department as well as the independent auditors will normally participate in the meetings. The Audit Committee may invite such other persons to its meetings as it deems appropriate. The Audit Committee performs its duties under a charter approved by the Board of Directors on a yearly basis.

The Audit Committee consists of two members, elected by the Board of Directors among its members. As of the Listing Prospectus Date, the Audit Committee consists of Christian Frigast (Chairman) and Jesper Jarlbæk (designated committee member). Both members of the Audit Committee are considered independent, and possess the qualifications relevant for the Audit Committee to perform its tasks.

The Audit Committee makes recommendations to the Board of Directors with respect to the appointment of the Company's independent auditors, and provides a report on the committee's activities to the Board of Directors no later than at the first board meeting following an Audit Committee meeting.

The Remuneration Committee
The purpose of the Remuneration Committee is to assist the Board of Directors in reviewing the performance and development of the Executive Management in achieving corporate goals and objectives and to assure that the Executive Management is compensated effectively. The Remuneration Committee meets at least twice a year.

The Remuneration Committee consists of Niels Erik Nielsen (Chairman), Christian Frigast and Jesper Jarlbæk. All members of the Remuneration Committee are considered independent and possess the qualifications relevant for the Remuneration Committee to perform its tasks.

16.5 Description of management reporting systems and internal control systems

The Board of Directors has the overall responsibility for the Company's internal control and the assessment and management of risk. Management carries out the identification of risks, the operation of an effective internal control system and the implementation of risk management. Management is also responsible for regular reporting on major risks and changes to such risks to the Audit Committee and the Board of Directors. The Board of Directors reviews the major risks and discusses risk developments with the Executive Management as deemed appropriate and at least once a year.

The Company performs risk assessment on the basis of a top-down risk-based approach. In the process of identifying and assessing risks, knowledge of the business, the organisation, operations and process is taken into consideration as well as size, complexity and organisational structure and the financial reporting environment. Further, as part of the assessment of risks, the entity-wide controls and the general IT controls are taken into account.

As a consequence of listing of the Company's ADSs on NASDAQ in the U.S., the Company is required to comply with, among other things, the rules and regulations promulgated by the U.S. Securities and Exchange Commission and the NASDAQ in the U.S. including, without limitation, the Sarbanes-Oxley Act of 2002 and other rules and regulations applicable to corporate governance and internal controls. Due to the Company's Sarbanes-Oxley compliance programme and its internal controls and risk management for financial reporting, the Company determined that it was not necessary to establish an internal audit function.

As part of the internal control system, the Board of Directors has had a whistleblower facility since 2006, handling the filing of complaints to an independent lawyer's office engaged by the Board of Directors concerning violations of laws, regulations and good business conduct by TORM representatives. Details of how to submit complaints are publically available in English on TORM's

website http://csr.torm.com/responsible-business/whistleblower and the Company's intranet. Complaints may be filed anonymously. The whistleblower facility is registered and approved by the Danish data protection agency.

Through sample testing at least once a year, the Company ensures that there are no material weaknesses in the internal controls which might lead to material errors in the financial statements.

16.6 Corporate governance

The Board of Directors has laid down clear management guidelines and a code of ethics and conduct in order to ensure that the Company is managed and that its business activities are carried out in accordance with principles based on integrity and ethics. These principles are fundamental to the Company and are important elements in the running of responsible business operations and in creating shareholder value.

On May 31, 2010, NASDAQ OMX Copenhagen made the recommendations of the Committee on Corporate Governance of April 8, 2010 an integral part of the disclosure requirements for listed companies with effect from the financial year 2010. On August 16, 2011, the Committee on Corporate Governance published new recommendations on diversity in management. With effect from October 1, 2011, NASDAQ OMX Copenhagen made these new recommendations an integral part of the disclosure requirements for listed companies.

In line with the 'comply or explain' principle, the Board of Directors has considered the revised Corporate Governance Recommendations that form part of these disclosure obligations. During 2011, the Company adjusted the governance setup, so that the Company complies with the revised recommendations. The Company's Corporate Governance report for 2011 only contains one point of non-compliance concerning retirement age for the Board of Directors. Following the annual general meeting on April 23, 2012, the relevant Section of the articles of association has been amended in order for the Company to comply in the future and the Company is now compliant on this point as well.

16.7 Guidelines for incentive schemes

In accordance with section 139 of the Danish Companies Act, the Company has adopted "Overall guidelines for A/S Dampskibsselskabet Torm's incentive schemes for members of the Board of Directors and Executive Management" which have been approved by the general meeting on April 22, 2008 and April 22, 2009 respectively. The guidelines are posted on the Company's website. Information on the website does not form part of and is not incorporated by reference into this Listing Prospectus.

The overall purpose of the Company's remuneration policy on incentive remuneration is to promote value-creation within the Company by implementing its short-term as well as long-term strategic goals and by ensuring common interests between the Company's employees and the shareholders. The purpose of the incentive schemes is furthermore to ensure that the combined remuneration to the members of the Executive Management and the employees for work performed in and for the Company is market-conform not only in comparison to other industry groups, but especially in comparison to the global shipping industry.

The "Overall guidelines for A/S Dampskibsselskabet Torm's incentive schemes for members of the Board of Directors and Executive Management", which have been adopted and published by the Company, comprise the Board of Directors and the Executive Management.

Board of Directors
Members of the Board of Directors receive a fixed annual fee. The size of the fee is included in a special note in the annual report and is presented for adoption together with the annual report. Members of the Board of Directors do not participate in incentive schemes.

Executive Management
The remuneration paid to the members of the Executive Management consists of fixed and variable incentive-based parts.

In addition to the bonus schemes described below, the variable incentive-based part also includes participation in the Company's general employee share and share option programmes, see "Part I – 15.3 Shareholdings of the Board of Directors and the Executive Management".

Overall guidelines for A/S Dampskibsselskabet Torm's incentive schemes for members of the Board of Directors and Executive Management of April 22, 2008.

Under the overall guidelines for A/S Dampskibsselskabet Torm's incentive schemes for members of the Board of Directors and Executive Management, adopted by the general meeting on April 22, 2008, the variable salary part consisted of an annual cash bonus, partially paid out as restricted shares, cf. below. Final grants under the 2008 guidelines took place in 2009.

Part of the total annual cash bonus was linked to the Company's performance against predetermined economic goals (ROIC – return on invested capital), and the remaining part was fixed by the Board of Directors in its own discretion at the recommendation of the Company's remuneration committee.

75% of the total annual cash bonus was paid out in cash whereas 25 % was paid out in the form of restricted shares.

Restricted shares were granted upon publication of the Company's annual report for the year ended. TORM's restricted share programme is subject to Danish law and includes certain vestment and adjustment provisions and other terms customary for such programmes. As a consequence of the Capital Reduction and the issuance of the Listing Shares the number of restricted shares held by the holders is adjusted with a factor of 1.4655. The value of the restricted shares was determined on the basis of the market price at the time of the publication of the annual report, adjusted for the fact that until their release, the financial rights of the shares are suspended. Two years after the date of grant of restricted shares, each restricted share will be converted into a share in the Company. Granted shares are settled by the Company's holding of treasury shares. As at the Listing Prospectus Date, the Company held 7 million treasury shares equivalent to 1.0% of the Company's share capital.

Of the Executive Management members, only the CFO has been granted restricted shares under the above guidelines. The CFO was granted 10,449 restricted shares in 2008. These restricted shares have been converted into Pre-Restructuring Shares and are therefore not adjusted. No restricted shares have been granted in 2009 or later years.

Overall guidelines for A/S Dampskibsselskabet Torm's incentive schemes for members of the Board of Directors and Executive Management of April 22, 2009.

The overall guidelines for A/S Dampskibsselskabet Torm's incentive schemes for members of the Board of Directors and Executive Management determining the incentive remuneration of the Company's Executive Management were adopted by the general meeting on April 22, 2009.

Under these guidelines, the variable incentive-based part of the Executive Management members' salary may consist of three different cash bonus elements.

1. Annual cash bonus
The Executive Management is eligible for an annual cash bonus depending on the Company's performance against predetermined economic goals (ROIC – return on invested capital, and PBT – profit before tax). The combined value of the annual cash bonus may not surpass a maximum of 200% of the Executive Management members' aggregate annual base salary.

2. Discretionary cash bonus
The Executive Management may under special conditions be eligible for a discretionary cash bonus. The value is fixed arbitrarily by the Board of Directors upon recommendation from the Company's

remuneration committee and may not surpass a maximum of 200% of the Executive Management's aggregate annual base salary. The bonus may be awarded for work performed in connection with special focus areas as a result of extraordinary circumstances in the Company or as a result of the Company's combined extraordinary results and growth compared to budget.

3. Extraordinary cash bonus

In addition, the Executive Management may be eligible for an extraordinary bonus which will depend on the Company's increase in value over a five-year period measured against the movements in the Company's share price in excess of a hurdle rate of 12 %, including any dividend. No additional extraordinary bonus can be awarded until after expiry of the five-year period linked to a prior grant of extraordinary bonus. The extraordinary bonus model is based on a normal stock exchange market not influenced by extraordinary circumstances. The present value of the extraordinary bonus depends on developments in the share price. Bonus will be paid out no later than one month after the Company's shareholder-elected auditors' calculation of the development of the Company's share price during the five-year period. One third of the total bonus is paid out in cash, whereas the remaining two thirds of the bonus are paid out in shares. The shares are locked-up for no less than two years.

17. Employees

17.1 Overview of employees

As of September 30, 2012, the Company had a total of 3,074 land-based employees and seafarers divided as follows:

Table 40: Number of employees

	2009	2010	2011	Q3 2012
Land-based employees				
Denmark	174	175	172	155
Other	142	143	149	147
Total number of land-based employees	**316**	**318**	**321**	**302**
Seafarers	2,900	2,985	2,861	2,772
Total number of employees	**3,216**	**3,303**	**3,182**	**3,074**

As at the Listing Prospectus Date, no material change in the number of employees has occurred since September 30, 2012.

17.2 Shareholdings of the Board of Directors and the Executive Management

The shareholdings of the members of the Board of Directors and the Executive Management are listed in the table below.

Table 41: Shareholdings of the Board of Directors and the Executive Management as of the Listing Prospectus Date

Name	Position	Number of Shares	Number of share options prior to adjustment	Number of share options following adjustment
Niels Erik Nielsen	Chairman of the Board	5,360	0	0
Christian Frigast	Deputy Chairman of the Board	5,704	0	0
Jesper Jarlbæk	Director	2,350	0	0
Kári Millum Garðarnar	Employee elected Board member	2,880	4,510	6,609
Rasmus Johannes Hoffmann	Employee elected Board member	1,675	3,743	5,485
Jacob Meldgaard	CEO	100,000	366,034	536,422
Roland M. Andersen	CFO	10,449	465,989	682,906

Note: After adjustment for the Restructuring each share option carries the right to acquire one share of nominal value DKK 0.01

Other than as set forth above, no members of the Board of Directors and no members of the Executive Management hold Shares in the Company.

Share option programmes
TORM's share option programmes are subject to Danish law and include certain adjustment provisions and exercise conditions and other terms customary for share option programmes of this nature. Among other things, the programmes provide that a share capital increase made at a subscription price below market value (except where a capital increase is made pursuant to a general employee share scheme), should result in a proportional adjustment of the number of Shares in the Company which can be acquired when exercising a share option. Any issue of bonus shares in the Company or a

change in the denomination of the shares in the Company or share capital reductions made at a price above market value also lead to adjustments of the number of Shares. As a result of the Capital Reduction and the issuance of the Listing Shares in connection with the Restructuring TORM's share option programmes is adjusted in accordance with their terms to ensure that the value of the share options remained unaffected. As a consequence of the discounted issuance of the Listing Shares the exercise price of TORM's issued share options are adjusted with a factor of 0.6832 and the number of share options held by the holders is adjusted with a factor of 1.4655.

Share Option Programme 2007-2009
In 2007, the Company established a share option scheme for the period 2007-2009 for all land-based employees and officers employed on permanent contracts with the Company, including the members of the Executive Management.

The Board of Directors is not included in the programme.

As at December 31, 2011, prior to adjustment in connection with the Restructuring, a total number of 2,724,846 unexercised share options were outstanding under the share option programme 2007-2009, including 752,119 options granted to members of the Executive Management (of these, 528,358 share options granted to executive management members no longer employed with the Company).

Approximately 50% of the share options were granted with a fixed exercise price (standard options). For the share options granted in 2007, the price was DKK 148.3 per share, in 2008 DKK 159.7 per share and in 2009 DKK 171.0 per share after adjustment for the extraordinary dividend paid out in September 2007 and December 2008 but before adjustment for the discounted issuance of the Listing Shares.

The other approximately 50% of the share options were granted with an exercise price that is ultimately determined at the publication of the Company's annual report after a three-year period, e.g. for the grant in 2009, determination took place in March 2012. The exercise price is based on the market price of the Shares on March 5, 2007 (DKK 177.50 per Share before adjustment for the discounted issuance of the Listing Shares) and is adjusted for the relative development in the share price in relation to a defined peer group (peer group options). Furthermore, the exercise price is reduced if the Company's total shareholder return (calculated on the basis of the share price of the respective shares' primary place of listing with dividends reinvested in the company) exceeds the average total shareholder return of a defined peer group (peer group options). Finally, adjustments are made to reflect the dividends paid by the Company to its shareholders during the vesting periods. If the Shares develop relatively better than the peer group, the share options will be in the money. The exercise price of the peer group options granted in 2007 was defined in 2010 as DKK 106 per share in 2011 (before adjustment for the discounted issuance of the Listing Shares), the exercise price regarding the grant in 2008 was defined as DKK 80 per share (before adjustment for the discounted issuance of the Listing Shares) and in 2012, the exercise price regarding the grant in 2009 was defined as DKK 36.00 per share (before adjustment for the discounted issuance of the Listing Shares). As at December 31, 2011, 1,208,314 standard options were granted, whereas 1,516,532 peer group options were granted (all before adjustment for the discounted issuance of Listing Shares).

The share options may be exercised in an exercise window starting at expiry of a seven-day period after publication of the annual report in the third calendar year after the date of grant (from 2010-2012) and ending at the end of the sixth calendar year after the date of grant (2013-2015). During the exercise window, the share options may only be exercised within windows of 28 days after the Company's publication of annual reports and interim financial reports. For the 2007 grant, share options can be exercised after the publication of the annual report for 2009 in March 2010, and shall be exercised by March 2013 at the latest, for the 2008 grant, share options can be exercised after the publication of the annual report for 2010 in March 2011, and shall be exercised by March 2014 at the latest and, finally, for the 2009 grant, share options can be exercised after the publication of the annual report for 2011 in March 2012, and shall be exercised by March 2015 at the latest. As at December 31, 2011, a total of 1,830,488 share options (before adjustment for the discounted issuance of the Listing Shares) were vested.

Each share option gives the employee the right to acquire one share with a nominal value of DKK 5 which was adjusted to a nominal value of DKK 0.01 in connection with the adjustment for the discounted issuance of the Listing Shares. As set out above, in connection with the Capital Reduction and the Listing, the number of shares in the Company that can be acquired on the basis of each individual share option is adjusted on a pro rata basis. Exercised options are settled by the Company's holding of treasury shares or in certain situations, by settlement in cash. As at the Listing Prospectus Date, the Company held 7 million treasury shares equivalent to 1.0% of the Company's share capital.

Participants resigning from their positions with the Company as good leavers prior to vesting, are allowed to keep their share options and to exercise them in accordance with the terms and conditions of the share option programme 2007-2009. Bad leaver participants will lose all share options that have not vested at the time of final resignation. This is in accordance with the mandatory provisions of the Danish Stock Option Act.

The share option programme 2007-2009 is subject to Danish law and includes certain adjustment provisions and exercise conditions and other terms customary for share option programmes of this nature. Among other things, the programme provides that a share capital increase made at a subscription price below market value (except where a capital increase is made pursuant to a general employee share scheme), should result in a proportional adjustment of the number of Shares in the Company which can be acquired when exercising a share option. Any issue of bonus shares in the Company or a change in the denomination of the shares in the Company or share capital reductions made at a price above market value also lead to adjustments of the number of Shares. Furthermore, the exercise price of the stock options is adjusted if excess dividends are distributed to the shareholders. Excess dividends are defined as any dividend payments which materially deviate from the dividend payments of the Company taken into consideration when granting the share options. For example the Board of Directors' decision to pay an extraordinary dividend based on its authorisation granted by the general meeting will constitute an excess dividend. As set out above and in order to ensure that the value of the share options remains unaffected by the issuance of the Listing Shares, and in accordance with the adjustment provisions of the share option programme, the exercise price and the number of options is adjusted with an adjustment factor of 0.6823 and 1.4655 respectively.

In 2011, a total expense of USD 0.4 million has been recognised in the income statement regarding share options, of which USD 0.2 million relates to share options granted in 2009, USD 0.2 million relates to share options granted in 2008 and USD 0.0 million relates to share options granted in 2007.

The fair value of the share options granted in 2007, 2008 and 2009 was based on the Black-Scholes and Monte Carlo models and calculated at USD 10.9 million for the 2007 grant, USD 6.3 million for the 2008 grant and USD 1.4 million for the 2009 grant as per the grant date.

Share Option Programme 2010-2012
In 2010 a share option-based incentive scheme was established for certain employees including the Executive Management, members of the management group and certain key employees. 35 persons were comprised by the 2010 grant and 40 persons by the 2011 grant.

The Board of Directors is not included in the share option programme 2010-2012.

The share option programme 2010-2012 comprises share options only and aims at incentivising the participants to seek to improve the results of the Company and thereby the value of the Company, i.e. the share price, to the mutual benefit of themselves and the shareholders of the Company.

The share options can be granted in 2010, 2011 and 2012 at the discretion of the Board of Directors in accordance with criteria determined by the Board of Directors.

As at December 31, 2010, prior to adjustment in connection with the Restructuring, a total of 935,736 share options were granted, including 304,131 share options (before adjustment for the discounted issuance of the Listing Shares) to the members of the Executive Management. In 2011, the Company has granted 1,065,736 share options (before adjustment for the discounted issuance of the Listing Shares), including 304,131 share options (before adjustment for the discounted issuance of the Listing

Shares) to the members of the Executive Management. In 2012, the Company has granted 0 share options, including 0 share options to members of the Executive Management.

The share options vest in connection with the publication of the annual report in the third calendar year following the grant.

Vested share options may be exercised from the vesting date until the publication of the annual report in the sixth year from the grant. Additionally, the share options may only be exercised in an exercise window during a period of four weeks from the date of the Company's publication of an interim report or an annual report.

Each share option gives the employee the right to acquire one share with a nominal value of DKK 5 which was adjusted to a nominal value of DKK 0.01 in connection with the adjustment for the discounted issuance of the Listing Shares. As set out above, in connection with the Listing Shares, the number of shares in the Company that can be acquired on the basis of each individual share option is adjusted on a pro rata basis. Exercised options are settled by the Company's holding of treasury shares or in certain situations, by settlement in cash.

For grants made in 2010, the exercise price was DKK 49.23 (before adjustment for the discounted issuance of the Listing Shares), which was calculated as the average closing price on NASDAQ OMX Copenhagen on the day of the publication of the interim financial report for the third quarter of 2010 and the following four business days plus a hurdle rate of 12% per annum calculated from the date of the grant until the vesting date. For grants made in 2011, the exercise price was DKK 39.87 (before adjustment for the discounted issuance of the Listing Shares), which was calculated as the average closing price on NASDAQ OMX Copenhagen on the day of the publication of the annual report for 2010 and the following four business days plus a hurdle rate of 12% per annum calculated from the date of the grant until the vesting date. For 2012, the exercise price is determined as the average of the quoted closing price on NASDAQ OMX Copenhagen on the day of the publication of the annual report for 2011 and the following four business days plus a hurdle rate of 12% per annum calculated from the date of the grant until the vesting date. As at the Listing Prospectus Date no grants has been made for 2012.

Participants resigning from their positions with the Company as good leavers prior to vesting, are allowed to keep their share options and to exercise them in accordance with the terms and conditions of the share option programme 2010-2012. Bad leaver participants will lose all share options that have not vested at the time of final resignation. This is in accordance with the mandatory provisions of the Danish Stock Option Act.

The share option programme 2010-2012 is subject to Danish law and includes certain adjustment provisions and exercise conditions and other terms customary for share option programmes of this nature. Among other things, the programme provides that a share capital increase made at a subscription price below market value (except where a capital increase is made pursuant to a general employee share scheme), should result in a proportional adjustment of the number of Shares in the Company which can be acquired when exercising a share option. Any issue of bonus shares in the Company or a change in the denomination of the shares in the Company or share capital reductions made at a price above market value also lead to adjustments of the number of Shares. Furthermore, the exercise price of the share options is adjusted if excess dividends are distributed to the shareholders. As set out above and in order to ensure that the value of the share options remains unaffected by the Capital Reduction and the issuance of the Listing Shares, and in accordance with the adjustment provisions of the share option programme, the exercise price and the number of options is adjusted with an adjustment factor of 0.6823 and 1.4655 respectively.

In 2011, an expense of USD 0.7 million has been recognised in the income statement regarding share options granted in 2010 and USD 0.5 million regarding share options granted in 2011.

The fair value of the share options granted in 2010 and 2011 is based on the Black-Scholes model and as at the grant date calculated at USD 1.6 million for the 2010 grant and USD 2.0 million for the 2011 grant. The number of share options granted to the Executive Management members as per December

31, 2011 and as adjusted through the adjustment for the discounted issuance of the Listing Shares are set out in Table 42 below:

Table 42: Share options granted to the Executive Management members as of the Listing Prospectus Date

		Number of share options					Number of shareoptions	
Name	**Position**	**2007**	**2008**	**2009**	**2010**	**2011**	**Total pre-Restruc-turing Adjust-ment**	**Total post-Restruc-turing Adjustement**
Jacob Meldgaard	CEO	0	0	0	183,017	183,017	366,034	536,422
Roland M. Andersen	CFO	0	100,005	123,756	121,114	121,114	465,989	682,906

Note: After adjustment for the Restructuring each share option carries the right to acquire one share of nominal value DKK 0.01

18. Major shareholders

The total nominal share capital of the Company as of the Listing Prospectus Date is DKK 7,280,000 divided between 728 million shares with a nominal value of DKK 0.01 each. The Shares are issued to bearer and the Pre-Restructuring Shares are listed on NASDAQ OMX Copenhagen and on NASDAQ in New York in the form of ADSs. TORM has one class of shares, and each share carries one vote with no restrictions on voting rights or ownership.

Immediately prior to the Listing Prospectus Date, the Company had approximately 14,430 registered shareholders representing approximately 90.15% of the Company's share capital. Since the Shares are bearer shares, the Company does not have a complete record of all of the shareholders.

The table below sets out the shareholders which as of the Listing Prospectus Date have notified the Company that they hold at least 5% of the Company's Shares or voting rights and such shareholders actual ownership interest/holding of votes.

As of the completion of the Restructuring, more than 90% of the Shares and voting rights in the Company was held by a limited number of shareholders, including the Secured Lenders and the Time Charter-in Counterparties.

As of the Listing Prospectus Date, the Secured Lenders and certain of the Time Charter-in Counterparties holds more than 33 1/3 % of the Company's Shares and voting rights. In connection with the Restructuring, the Secured Lenders and certain of the Time Charter-in Counterparties obtained an exemption from the mandatory Danish takeover rules from the Danish Financial Supervisory Authority.

TORM will convene an extraordinary general meeting after publication of the Listing Prospectus with the purpose, inter alia, of amending the articles of association, including adopting certain minority protection rights pursuant to which the Company's issuance of shares against conversion of debt or issuance of shares without pre-emptive rights for existing shareholders require consent from shareholders representing 90% of the Company's share capital and voting rights. The extraordinary general meeting will furthermore be convened for the purpose of electing new members to the board of directors to replace the current shareholder elected board members and extend the election period for shareholder elected board members to two years. Pursuant to the Restructuring Agreement TORM's Secured Lenders and certain Time Charter-in Counterparties have agreed to vote in favour of the proposals. See "Part I – 21.7 Extraordinary general meeting".

Table 43: Major shareholders in the Company as of the Listing Prospectus Date

Shareholder	Nominal value of Shares in DKK	Number of Shares	Ownership interest and voting rights (%)
HSH Nordbank AG	993,709.20	99,370,920	13.6%
Danske Bank A/S	835,668.18	83,566,818	11.5%
Nordea Bank Danmark A/S	821,110.87	82,111,087	11.3%
Deutsche Bank AG	453,745.41	45,374,541	6.2%
DBS Bank Ltd.	399,096.23	39,909,623	5.5%
Alpha Trust[1]	380,208.04	38,020,804	5.2%

Note: (1) Alpha Trust is a family trust settled in Cyprus under Cypriot law. The holding of Alpha Trust is based on their notice to the Company pursuant to the Danish Companies Act, section 55, and the Danish Securities Trading Act, section 29, dated September 23, 2011, and their notice in respect of announcement on proxy to the Chairman of the Board of Directrors of TORM A/S in relation to the annual general meeting on April 23, 2012, adjusted for dilution following the Restructuring

It is the duty of the shareholders to give notice to the Company of any changes in their ownership interest or voting rights leading them to cross certain thresholds. See "Part II – 4.9 Danish regulations governing mandatory takeover bids, redemption of shares and disclosure requirements". The

Company will issue a company announcement in the event it receives such notice from a shareholder.

It is outside the authority of the Company to make any company announcement of major shareholdings unless prior notice from a shareholder has been received. Thus, changes may have occurred in the stated share capital or voting rights of major shareholders which are not reflected above in the event that a shareholder has failed to provide notice of its ownership interest or voting right (including as a result of increases in the Company's share capital).

For shareholdings of the Board of Directors and the Executive Management as of the Listing Prospectus Date, reference is made to "Part I – 17.2 Shareholdings of the Board of Directors and the Executive Management".

19. Related party transactions

Pursuant to IFRS, a related party transaction is a transfer of resources, services or obligations, among other things, between TORM (including its subsidiaries) and a related party. Parties are considered to be related as defined by IAS 24 "Related party disclosures". In determining each possible related party relationship, the substance of the relationship, and not merely the legal form, must be considered.

Niels Erik Nielsen, Chairman of the Board of Directors, was a practising partner with the law firm Bech-Bruun until 1 January, 2011. For 2011, Bech-Bruun's fee was USD 0 million (2010: USD 0.4 million and 2009: USD 0.3 million based upon the amount of time spent). Niels Erik Nielsen is currently a practising partner of the law firm LETT. For 2011, LETT's fee of USD 0.2 was based upon the amount of time spent (2010: USD 0.0 milion and 2009: USD 0 million). LETT has also provided legal services in 2012, and TORM has paid USD 1.7 million up until the Listing Prospectus Date.

Jesper Jarlbæk, member of the Board of Directors, is chairman of the board of directors and shareholder in Basico Consulting A/S and member of the Board of Directors and shareholder in IT2 Treasury Solutions Ltd (UK). TORM has used Basico Consulting A/S for consulting services in 2011 and paid USD 0.8 million (2010: USD 0.3 million and 2009: USD 0.4 million) based upon the amount of time spent. Basico Consulting A/S has also provided consulting services in 2012, and TORM has paid USD 0.7 million up until the Listing Prospectus Date. IT2 Treasury Solutions Ltd. (UK) has licensed treasury management software and related implementation consulting services in 2012, and TORM has paid USD 0.2 million (2011: USD 0.0 million, 2010: USD 0.0 million and 2009: USD 0.0 million) up until the Listing Prospectus Date.

Gabriel Panayotides, former member of the board of directors, is chairman of the board of directors of Excel Maritime. During 2011 TORM paid USD 2.0 million involving one Panamax dry bulk vessel and USD 0.9 million involving one Handymax dry bulk vessel (2010: USD 0.0 million and 2009: USD 0.0 million) to Excel Maritime under time charter agreements.

Stefanos-Niko Zouvelos, former member of the board of directors, is General Manager of Beltest Shipping Company Limited. During 2011 TORM paid USD 0.0 million (2010: less than USD 0.1 million and 2009: USD 4.9 million) to an entity owned by Beltest Shipping Company Limited under a time charter agreement involving one product tanker. During 2011 TORM served as commercial and technical manager for that product tanker for which TORM received commissions and fees of USD 0.2 million (2010: USD 0.2 million and 2009: 0.0 million).

Angelos Papoulias, former member of the board of directors, is director of Investments & Finance Ltd. TORM has used Investments & Finance Ltd. for consulting services in 2011 amounting to USD 1.3 million (2010: USD 0.2 million and 2009: USD 0.1 million). Investments & Finance Ltd. has also provided consulting services in 2012, and TORM has paid USD 0.8 million up until the Listing Prospectus Date based upon the amount of time spent by the firm. The consulting services consisted of financial advisory services in connection with the Company's rights issue considerations in 2011, as inter alia described in Company announcements no. 12, 2011 and no. 18, 2011.

Until the completion of the Restructuring, Alpha Trust and its Trustee, First Link Management Services Limited, was considered to have control over TORM via the ownership of 52.23% of the share capital of the Company.

During the financial year ended 31 December 2011, TORM carried on trading with its jointly controlled entities for a total amount of USD 8.4 million (2010: USD 8.7 million and 2009: USD 8.6 million). TORM also carried on trading in the ordinary course of business with its jointly controlled entities during the period from 1 January 2012 until the Listing Prospectus Date for a total amount of USD 1.5 million. In addition, TORM in July 2012 acquired a claim against affiliates of a Time Charter-in Counterparty, for a consideration of USD 3.0 million, from a subsidiary of TORM's jointly controlled entity FR8 Holdings Pte. Ltd.

As of the Listing Prospectus Date, there have been no transactions with related parties since 1 January 2012 other than as set out above.

Management considers that the transactions with related parties have taken place at market terms.

See "Part I – 15. Remuneration and benefits" for a description of the remuneration received by the Board of Directors and the Executive Management.

As part of the Restructuring TORM's Secured Lenders (or their assignees) subscribed for a total of 529.636.275 Listing Shares corresponding to 72,8% of TORM's share capital and voting rights. The Secured Lenders are also lenders under TORM's Financing Agreements, but are not considered to be related parties under IAS 24. The Financing Agreements provides certain financial and operational covenants which restrict the financial and operational flexibility of TORM. See "Part I – 10. Capital resources" for an overview of the Company's loan facilities, "Part I – 6.1.2 The Restructuring" for a description of the Restructuring of TORM and the Restructuring Agreement and "Part I – 22. Material Agreements" for a description of the Company's Financing Agreements to which the Secured Lenders are parties. In connection with the Restructuring, representatives acting for TORM, including members of Management, obtained releases of liability from the Secured Lenders and indemnification undertakings from TORM in relation to transactions undertaken in the Restructuring.

20. Financial information concerning the Company's assets and liabilities, financial position and profits and losses

20.1 Financial information

See "Part F – Financial information" for financial information about the Company.

20.2 Dividend policy

The Company is prohibited until December 31, 2016 from distributing dividends under the terms of the Financing Agreements.

TORM's dividend policy states that up to 50% of the net profit for the year may be distributed as dividend. Furthermore, the dividend must always be considered in light of TORM's capitalisation, strategic developments, future obligations, market trends and shareholder interest.

The Company has not paid dividends for the financial years 2009, 2010 and 2011.

For further information about the restrictions on the possibilities for distributing dividends, see "Part I – 22. Material contracts".

20.3 Litigation

TORM is from time to time and currently a party to various legal proceedings arising in the ordinary course of business. TORM seeks to maintain adequate commercial liability insurance for such cases and to the extent that TORM finds that a specific claim is covered by insurance TORM will make no reservations in its accounts except for other related cost such as inter alia deductibles payable by the Company under the insurances. Within the last twelve months from the date of this Listing Prospectus, other than as set out below, TORM has not been and is not currently a party to any governmental proceedings, litigation, administrative, arbitration or dispute proceedings that could have, or have had in the recent past, a material adverse effect on its business, results of operations or financial position. TORM is not aware of any threatened or potential dispute or governmental proceeding that could have a material adverse effect on its business, results of operations or financial position in the future, other than as set out below.

Pending arbitration proceeding regarding Bel Taylor
In 2009 arbitration proceedings was initiated against TORM as a result of a dispute regarding the vessel Bel Taylor which TORM had under technical and commercial management. The vessel was owned by an entity affiliated with a former member of the board of directors of TORM. The owner raised claims of a total of USD 8.7 million relating to budget and timetable in connection with a scheduled maintenance of the vessel. TORM reported the claim to its professional liability insurers. As per the policy the insurers are acting on TORM's behalf, and have rejected the owner's claim in full. The process has been dormant for two years pending further action by the owner of the vessel. TORM has made no reservations in its accounts relating to the claim.

TORM considers that the claim is without merit and that if, nevertheless, it was found to have merit, the claim would be covered by the Company's commercial liability insurance. TORM has consequently made no reservations in its accounts relating to the claim except for an amount of USD 35,000 representing the deductible payable by the Company under the relevant insurance policy.

Danish Tax Authority Compliance & Control visit relating to the income years 2006-2008
The Danish tax authorities have carried out a control visit relating to the income years 2006-2008 in connection with the application of withholding taxes on dividend distributions in the relevant period. The control visit was conducted by the Danish tax authorities as part of a wider campaign aimed at Danish companies who have paid dividends to entities in European low tax jurisdictions. No claims have been raised by the Danish tax authorities as at the Listing Prospectus Date. TORM has accepted suspension of statutory limitation periods.

TORM believes that withholding tax rules have been applied correctly, namely on the basis that the relevant shareholders to which dividends were distributed were tax resident in Cyprus and entitled to benefit under the EU Parent-Subsidiary Directive whereby Denmark must waive the taxation of dividends to the shareholders in question. In other cases, the Danish tax authorities have argued that the relevant shareholders have acted as intermediary companies between Danish companies and the ultimate shareholders and apply a beneficial ownership test whereby the non-resident shareholders must prove to have a right of disposition of the dividends received to be entitled to benefit under the EU Parent-Subsidiary Directive. Currently, the position of the Danish tax authorities is contested by taxpayers in a number of pending cases.

During the income years 2006-2008 TORM paid dividends to its shareholders in an aggregate amount of DKK 3,075.8 million. Certain dividend payments to shareholders holding approximately 50% of the shares in TORM have been made with no withholding tax. In the period the applicable Danish withholding tax rate was 28%.

20.4 Financial position

Except as described in "Part I – 9.10 Significant events after the balance sheet date", no material changes have occurred to TORM's financial or trading position since the release of TORM's interim financial report for the nine months ended September, 30 2012 on November 7, 2012.

21. Additional information

21.1 Share capital

As at the Listing Prospectus Date, the Company's registered share capital amounts to a nominal value of DKK 7,280,000, comprising 728 million Shares with a nominal value of DKK 0.01 each or multiples thereof.

The Board of Directors is as at the Listing Prospectus Date granted numerous authorisations to increases in the share capital of the Company, both with and without pre-emptive rights to the existing shareholders. The authorisations are described in further detail in "Part I – 21.6 Authorisation to increase the share capital". See also "Part I – 21.7 Extraordinary general meeting" for a description of certain proposed amendments to the articles of association.

21.2 Warrant, convertible securities and option programmes

The Company has issued no warrants or other securities convertible or exchangeable into shares. See "Part I – 17.2 Shareholdings of the Board of Directors and the Executive Management" and "Part I – 16.7 Guidelines for incentive schemes" for a description of share options.

The Company has not granted any acquisition rights and or obligations over authorised but unissued capital nor has the Company undertaken any obligation to increase the capital.

21.3 Historical development of the Company's share capital

As of the Listing Prospectus Date, the Company's share capital is DKK 7,280,000 nominal value divided into 728 million Shares with a nominal value of DKK 0.01 each. The Company has one share class, and all Shares have been issued and fully paid up.

Since April 2004 the following changes have been made to the Company's share capital:

On April 23, 2012, the annual general meeting of the Company resolved to decrease the share capital of the Company by an amount of nominally DKK 363,272,000 (corresponding to 99.8% per cent of the nominal share capital) from nominally DKK 364 million to nominally DKK 728,000 by decreasing the nominal amount per share (denomination) from DKK 5.00 to DKK 0.01 by transfer of the reduction amount to a special reserve fund in accordance with Section 188(1)(3) of the Danish Companies Act. Subsequent to the decrease which was implemented on November 5, 2012, the share capital of the Company amounted to nominally DKK 728,000 with a nominal value of each share of DKK 0.01.

On November 5, 2012, in connection with the completion of the Restructuring, the Board of Directors of the Company resolved to increase the Company's share capital by a nominal value of DKK 6,552,000, without pre-emptive rights to the existing shareholders. Subsequent to the increase the Company's share capital constitutes a nominal value of DKK 7,280,000 divided into shares of DKK 0.01 each or any multiple thereof.

There have been no changes in the Company's share capital since November 5, 2012.

21.4 Description of the Company's articles of association

Set forth below is a brief description of certain provisions contained in the articles of association of the Company as of the Listing Prospectus Date as well as a brief description of certain provisions of the Danish Companies Act. Such summary does not purport to be complete and is qualified in its entirety by reference to the Company's articles of association and Danish laws.

The Company will convene an extraordinary general meeting after publication of this Listing Prospectus for the purposes of proposing certain amendments to the articles of association, as further described below in "Part I – 21.7 Extraordinary general meeting".

Object clause
The Company's objects, as set out in article 1.3 of the articles of association, are to carry on business within shipping, chartering and other transport services, to make investments, including in real property, and to carry on such other business as the board of directors may deem incidental to the attainment of the said objects. The objects may be attained by ownership in whole or in part, including as shareholder, partner or otherwise of any other business which has one or more of the objects set out above.

Summary of provisions regarding the Board of Directors and the Executive Management
The Company is managed by a board of directors made up of a minimum of three and a maximum of eight members elected from among the shareholders of the Company in general meeting. If employee directors have been elected in accordance with the provisions of the Danish Companies Act, such employee directors shall join the board of directors in accordance with the rules in force from time to time. The present board of directors consists of three members elected by the general meeting and two employee directors.

The members of the board of directors elected by the Company in general meeting are elected for a term of one year. Any employee directors retire in accordance with the provisions of the Danish Companies Act. Retiring members of the board of directors are eligible for re-election.

The Company will convene an extraordinary general meeting after publication of this Listing Prospectus for the purposes of, inter alia, electing new members to the Board of Directors and extend the election period for board members elected by the general meeting to two years, as further described below in "Part I – 21.7 Extraordinary general meeting".

The board of directors appoints from among its members a chairman and a deputy chairman to substitute the chairman in his absence.

The board of directors makes its decisions by a simple majority of votes. In case of an equality of votes, the chairman has the casting vote. The board of directors lays down rules of procedure for the performance of its duties.

The members of the board of directors receive a fixed remuneration. The total proposed remuneration is included in a special note in the annual report and presented for adoption by the shareholders at the general meeting together with the annual report. The overall guidelines for the Company's incentive remuneration to members of the executive management and the board of directors were adopted at the Company's annual general meeting held on April 22, 2009.

The board of directors is entitled to buy, sell and mortgage real property and ships. The board of directors may grant individual or joint powers of procuration.

The board of directors appoints a managing director, the CEO, to be in charge of the day-to-day management of the Company, and possibly one or more managers. The Executive Management of the Company currently consists of one CEO and one CFO.

The Company is bound by the joint signatures of three members of the board of directors, one of whom shall be the chairman or the deputy chairman, or by the joint signatures of two members of the board of directors, one of whom shall be the chairman or the deputy chairman, and the managing director.

The corporate language of the Company is English.

21.5 Description of the Company's Shares

As of the Listing Prospectus Date, the Company's registered share capital is DKK 7,280,000 nominal value divided into 728 million Shares with a nominal value of DKK 0.01 each. The Company has one share class and no Shares confer any special rights upon its holder.

The share capital has been fully paid up.

Voting rights
Each share amount of DKK 0.01 nominal value carries one vote at the general meetings of the Company.

A shareholder's right to attend general meetings and to vote at general meetings is determined in proportion to the shares that the shareholder holds on the record date. The shareholding is determined based on shareholding registered or duly reported for registration as at the record date. The record date is one week prior to the general meeting.

Participation at general meetings is furthermore subject to the shareholder having requested an admission card for the relevant general meeting no later than three days prior to the date of the general meeting. Admission cards are issued to any such person who according to the register of shareholders is registered as a shareholder on the record date or who has duly reported his shareholding to the Company as at the record date for purposes of entry in the register of shareholders. The board of directors may determine that holders of ADSs as at the record date may attend general meetings, provided that such holders no later than three days before the date of the general meeting have requested an admission card for the relevant general meeting and presented due documentation of their holdings.

A shareholder shall be entitled to be represented by proxy at a general meeting. The proxy holder shall present a written and dated instrument of proxy. Instruments of proxy to the Company's management shall be granted for a maximum period of 12 months and shall be issued for a specific general meeting with a known agenda.

Dividend rights
Pursuant to the Danish Companies Act, the shareholders may at general meetings resolve to distribute ordinary and extraordinary dividends.

Shareholders, including holders of Listing Shares, are eligible to receive any dividends as from the date of registration with the Danish Business Authority and any other dividends payable thereafter. The payment of any dividends in the future will depend on a number of factors, including future earnings, capital requirements, financial position and future prospects, applicable restrictions on the payment of dividends under Danish law and agreements made as well as other factors that the board of directors may consider relevant. The board of directors has been authorised by the general meeting to resolve to distribute extraordinary dividend.

The Company's dividends, if declared, are distributed by transfer to the accounts designated by the shareholders in accordance with the rules of VP Securities in force from time to time. There are no dividend restrictions or special procedures for non-resident holders of Shares. Dividends which have not been claimed within three years from the day they are payable will accrue to the Company.

See "Part II – 4.11 Taxation" for a summary of certain tax consequences in respect of dividends or distributions to holders of Listing Shares and "Part I – 22. Material contracts" for a description of the restrictions on the Company's right to pay dividends under the Company's Financing Agreements.

See "Part I – 20.2 Dividend policy" for a description of TORM's dividend policy.

Preemptive rights
Under Danish law, all shareholders have pre-emptive subscription rights in connection with capital increases affected as cash contributions. An increase in the share capital can be resolved by the shareholders at a general meeting or by the board of directors pursuant to an authorisation given by the shareholders. In connection with an increase of the Company's share capital, the shareholders may, by resolution at a general meeting, approve deviations from the general Danish pre-emptive rights of the shareholders. Under the Danish Companies Act, such resolution must be adopted by the affirmative vote of shareholders holding at least a two-thirds majority of the votes cast and the share capital represented at a general meeting. Furthermore, it is a prerequisite that the capital increase is

subscribed for at market price.

The Board of Directors may resolve to increase the Company's share capital without pre-emptive subscription rights to existing shareholders pursuant to the authorisations set out in "Part I – 21.4 Description of the Company's articles of association". See "Part I – 21.7 Extraordinary general meeting" for a description of certain proposed amendments to the articles of association including the majority requirements required for issuing shares, etc. without pre-emptive subscription rights.

Neither the Listing nor any future issuance of new Shares may be registered under the Securities Act or with any authority outside Denmark. As such, U.S. shareholders and shareholders in jurisdictions outside Denmark may be unable to exercise their pre-emptive subscription rights.

Rights on liquidation
On liquidation or winding-up, shareholders will be entitled to participate, in proportion to their respective shareholdings, in any surplus assets remaining after payment of the Company's creditors.

Rights attaching to the Shares
All Shares rank pari passu, and the articles of association do not include provisions allowing for any redemption or exchange of the Shares. Reference is made to "Part I – 21.6 Authorisation to increase the share capital", regarding the authorisation to issue debt instruments convertible shares in a new share class and to issue preference shares in a new share class. See also "Part I – 21.7 Extraordinary general meeting" for a description of certain proposed amendments to the articles of association.

Registration of Shares
All Shares are held in book-entry form and must be held through a Danish bank or other institution authorised to be registered as the custodian of such Shares (a "custodian institution") on accounts maintained in the computer system of VP Securities. The Shares are issued as non-certificated bearer shares but the name of the holder may be registered in the Company's register of shareholders through the holder's custodian institution.

Limitations on the holding of Shares
There are no limitations on the right to hold Shares under the articles of association or Danish law.

Transferability and negotiability
The Shares are negotiable instruments issued to bearer but may be registered by name in the Company's register of shareholders. No restrictions apply to the transferability of the Shares. No shareholder shall be obliged to have his shares redeemed. General transfer restrictions in connection with the Shares are described in "Part II – 5. Terms and conditions of the Listing".

21.6 Authorisation to increase the share capital

As at the Listing Prospectus Date, the board of directors holds the following authorisations from the general meeting to increase the Company's share capital:

Pursuant to article 2(3) to 2(5), the Board of Directors is authorised to increase the Company's share capital in one or more issues of new Shares by up to DKK 182 million in the period until April 1, 2013. The increase may be made by cash contribution or as consideration for the acquisition of all or part of an existing business or specific assets, including shares. The Shares may be subscribed for without pre-emptive rights to the existing shareholders if subscription takes place at market price.

Pursuant to article 2(6), the Board of Directors is authorised in the period until April 30, 2013 to raise loans for a total amount of up to DKK 2,400 million against the issuance of convertible debt instruments entitling the holder to subscribe for shares in the Company and to adopt the related increase of the Company's share capital by up to a total nominal amount of DKK 2,400 million. Conversion may not take place at a price, which is lower than the market price of the Company's shares at the time of the issuance of the convertible debt instruments. The convertible debt instruments may be issued without any pre-emptive subscription rights for the existing shareholders.

Pursuant to article 2(7), the Board of Directors is authorised in the period until April 30, 2013 to raise loans for a total amount of up to DKK 1,500 million against the issuance of convertible debt instruments entitling the holder to subscribe for shares in the Company and to adopt the related increase of the Company's share capital by up to a total nominal amount of DKK 1,500 million. The Board of Directors may determine whether the new shares may be subscribed for at a rate discounted to the market price. The convertible debt instruments shall be issued with pre-emptive subscription rights for the existing shareholders.

Pursuant to article 2(8), the Board of Directors is authorised to increase the Company's share capital in one or more issues of new Shares by up to a total nominal amount of DKK 1,500 million in the period until April 30, 2013. Shares issued pursuant to this authorisation shall be subscribed for in cash. The Board of Directors may determine whether the new shares may be subscribed for at a rate discounted to the market price. The Shares may be subscribed for with proportionate pre-emptive subscription rights for the existing shareholders.

Pursuant to acticle 2(9), the Board of Directors is authorised to increase the Company's share capital in one or more issues of new Shares by up to DKK 2,400 million in the period until April 30, 2013. The increase may take place in a new unlisted share class and may be made by cash contribution or conversion of debt, or contribution of assets other than cash. The Shares may be subscribed for at market price as confirmed by an independent expert to constitute a fair market price (or terminology to a similar effect), which may be lower that the market price quoted on the existing shares on NASDAQ OMX Copenhagen A/S. The shares may be issued without proportionate pre-emptive rights for the existing shareholders.

Pursuant to article 2(10), the Board of Directors is authorised to increase the Company's share capital in one or more issues of new Shares by up to DKK 2,400 million in the period until April 30, 2013. The increase may be made by cash contribution or conversion of debt, or contribution of assets other than cash. The Shares may be subscribed for at market price as confirmed by an independent expert to constitute a fair market price (or terminology to a similar effect), which may be lower that the market price quoted on the exisiting shares on NASDAQ OMX Copenhagen A/S. The shares may be issued without proportionate pre-emptive rights for the existing shareholders.

Pursuant to article 2(11), the Board of Directors is authorised to increase the Company's share capital in one or more issues of new shares by up to a total nominal amount of DKK 1,500 million in the period until April 30, 2013. Shares issued pursuant to this authorisation shall be subscribed for at market price against payment in cash by establishment of a new class of preference shares with preferential rights to dividend and liquidation proceeds (cumulative dividend of 10 % per annum of the subscription amount with pro rata participation rights in additional proceeds) and increased voting rights (10 votes per share). The shares may be subscribed for without proportionate pre-emptive subscription rights for the existing shareholders.

Pursuant to article 2(12), the Board of Directors is authorised in the period until April 30, 2013 to issue warrants to subscribe for new Shares up to a total amount nominal amount of DKK 2,400 million and to adopt the related increase of the Company's share capital. The new Shares shall be issued at a subscription price determined by the Board of Directors, which shall never be lower than the market price at the time of issuance of the warrants. The warrants may be issued without pre-emptive subscription rights for the existing shareholders.

Pursuant to article 2(13), the Board of Directors is authorised to increase the Company's share capital in one or more issues of new Shares by up to DKK 2,400 million in the period until April 30, 2013. The increase may be made by cash contribution or conversion of debt, or contribution of assets other than cash. The Shares may be subscribed for at a rate discounted to the market price and without proportionate pre-emptive rights for the existing shareholders. The new shares issued shall be issued in a new class of shares which shares may not be admitted to trading and official listing.

Pursuant to article 2(14), the Board of Directors is authorised to increase the Company's share capital in one or more issues of new Shares by up to DKK 2,393,448,000 in the period until April 1, 2013. The increase may be made by cash contribution, conversion of debt, or contribution of assets other than

cash. The Shares may be subscribed for without proportionate pre-emptive subscription rights for the existing shareholders.

The Company has undertaken towards the Secured Lenders not to issue any new shares. Any issue of new shares pursuant to the above authorisations will thus require consent from the Secured Lenders.

The vast majority of authorisations set out above were adopted by the Company's annual general meeting on April 23, 2012. The authorisations had been proposed for the purpose of creating flexibility for a potential equity issue as part of TORM's Restructuring. The Company will convene an extraordinary general meeting after publication of this Listing Prospectus and in this connection it is intended to be proposed that the authorisations granted to the Board of Directors to increase the share capital will be cancelled as a consequence of completion of the Restructuring . See "Part I – 21.7 Extraordinary general meeting" for a description of proposed amendments to the articles of association including the majority requirements required for issuing shares, etc. without pre-emptive subscription rights.

21.7 Extraordinary general meeting

TORM will convene an extraordinary general meeting after publication of the Listing Prospectus with the purpose, inter alia, of amending the articles of association, including adopting certain minority protection rights pursuant to which the Company's issuance of shares against conversion of debt or issuance of shares without pre-emptive rights for existing shareholders require consent from shareholders representing 90% of the Company's share capital and voting rights. The extraordinary general meeting will furthermore be convened for the purpose of extending the current one-year election period for board members elected by the general meeting to two years, with the first ordinary re-election to occur at the ordinary general meeting in 2014 and appointing new board members. It is expected that the general meeting will elect new board members which may replace one or more of the current shareholder elected board members. Pursuant to the Restructuring Agreement TORM's Secured Lenders and certain Time Charter-in Counterparties have agreed to vote in favour of the above proposals.

In connection with the extraordinary general meeting the Board of Directors intends to propose that the authorisations granted to the Board of Directors to increase the share capital in article 2(3) – 2(14) of the articles of association will be cancelled as a consequence of completion of the Restructuring as well as other editorial changes as a consequence of the above proposed amendments.

Under the terms of the Restructuring Agreement, the extraordinary general meeting was to be convened no later than on 5 December 2012. As at the date of the Listing Prospectus, TORM has not received requests to convene the extraordinary general meeting or board nominations from parties to the Restructuring Agreement. TORM, however, currently expects such receipt and consequently the convening of the extraordinary general meeting in mid to late December 2012. While convening the meeting after December 5, 2012 constitutes a breach enabling parties under the Restructuring Agreement to require that the extraordinary general meeting be held or to take other remedial measures, TORM considers it unlikely that the breach will have a material adverse effect on the Company.

21.8 Treasury shares

At the general meeting held on April 23, 2012 the board of directors was authorised in the period until the April 23, 2017 to let the Company acquire its own shares up to a total of 25 per cent of the issued share capital at the market price prevailing at the time of acquisition subject to a deviation of up to 10 per cent.

In connection with the Restructuring, TORM received 3,739,840 Shares in exchange for the release of a claim against affiliates of a Time Charter-in Counterparty.

As of the Listing Prospectus Date, the Company held a total of 6,970,272 million treasury shares with

a total nominal value of DKK 69,702.72. Treasury shares are recognised as a separate component of equity at the cost price. Upon subsequent disposal of treasury shares, the sales price will also be recognised directly against equity. The carrying amount of treasury shares was USD 19 million as of the Listing Prospectus Date.

21.9 Provisions in the articles of association or other rules, which may lead to a delay of a change of control of the Company

The Board of Directors is authorised to let the Company acquire its own shares and to increase the Company's share capital, which may be subscribed for with or without pre-emptive right for the existing shareholders, cf. "Part I – 21.6 Authorisation to increase the share capital" and "Part I – 21.8 Treasury shares". Depending on the specific circumstances, the Board of Directors' decision to let the Company acquire its own shares or to issue new shares may delay, defer or prevent a change in control of the Company.

A share capital increase adopted by the general meeting may also delay a change of control of the Company.

According to the articles of association a shareholder may not attend or participate in a general meeting unless the shareholder holds Shares at the record date, which is one week prior to the general meeting.

General meetings can only form a quorum provided that at least one-third of the share capital is represented. Furthermore, any adoption of resolutions to amend the articles of association, the dissolution or merger of the Company with another company or firm, the use of the Company's foundation, rejection of the annual report and/or the Board of Directors' proposal for appropriation of profits, appointment of members of the Company's Board of Directors requires that at least three-fifths of the share capital is represented at the general meeting and that the resolution is adopted by at least two-thirds of the votes cast unless any such resolution is proposed by the Company's Board of Directors. In the event that a general meeting has been convened for the purpose of adopting a resolution requiring a qualified majority and if an insufficient number of shares are represented at such meeting, the Board of Directors shall as soon as possible convene a new general meeting at which the proposal, irrespective of the number of shares represented, may be adopted by five-sixths of the votes cast unless one-third of the votes represented is against the proposal at the first general meeting. Any resolution to amend the Company's articles of association is further subject to the conditions set out in sections 106-107 of the Danish Companies Act, i.e. adoption by at least two-thirds of all votes cast as well as two-thirds of the share capital represented at the general meeting, that certain resolutions which limit a shareholder's ownership or voting rights are subject to approval by a nine-tenth majority of the votes cast and the share capital represented at the general meeting, and that decisions increasing shareholders' obligations towards the Company can only be adopted if all shareholders agree.

Other than the rules described above in relation to quorum rules of general meetings and special qualified majority in respect of certain decisions, the actions necessary to change the rights of holders of shares correspond to the requirements of the Danish Companies Act.

Pursuant to the terms of the Restructuring Agreement the Company will convene an extraordinary general meeting for the purposes of proposing certain amendments to the articles of association and in this connection it is intended as a consequence of completion of the Restructuring that it will be proposed that the authorisations granted to the Board of Directors to increase the share capital will be cancelled, as further described above in "Part I – 21.7 Extraordinary general meeting".

21.10 Disclosure requirements

Pursuant to section 29 of the Danish Securities Trading Act, a shareholder in a company the shares of which have been admitted to trading on a regulated market is required to notify the company and the Danish FSA as soon as possible if the shareholder's stake represents 5% or more of the voting rights in the company or the nominal value accounts for 5% or more of the share capital, and when a

change of a holding already notified entails that the thresholds of 5, 10, 15, 20, 25, 50 or 90% and one-third and two-thirds of the share capital's voting rights or nominal value are reached or are no longer reached.

The notification must comply with the requirements set out in sections 15 and 16 of the Danish executive order on major shareholders, Executive Order no. 668 of June 25, 2012, including the identity of the shareholder and the date when a threshold is reached or no longer reached.

When the company has received a notification, it must publish the content of such notification as soon as possible in a company announcement. Furthermore the general duty of notification under the Danish Companies Act applies.

21.11 General meetings

The general meeting is the supreme authority in all matters of the Company, subject to the limitations provided by Danish law and the articles of association. The general meetings of the Company shall be held in the Greater Copenhagen area, and the annual general meeting shall be held not later than the end of April each year

At the annual general meeting, the audited annual report is submitted for approval, including the annual remuneration to the Board of Directors, together with the proposed appropriations of profit/treatment of loss and the election of the Board of Directors and auditors. In addition, the Board of Directors submits a report on the Company's activities during the past year.

General meetings are convened by the Board of Directors with a minimum of three weeks' notice and a maximum of five weeks' notice by announcement on the Danish Business Authority's IT Information System as well as on the Company's website and otherwise in any such manner and form as may be required by the stock exchanges on which the Company's Shares or ADSs are listed. A convening notice will also be forwarded to shareholders recorded in the Company's register of shareholders and/or ADS holders who have registered their holdings with the Company, and who have requested such notification. The notice convening the general meeting shall specify the business to be transacted at the meeting. If proposals to amend the articles of association are to be considered, the essential aspects of the proposal shall be stated in the notice.

No later than three weeks before a general meeting (inclusive of the day of the general meeting), the Company shall make the following information and documents available on the Company's website: the convening notice, the total number of shares and voting rights on the date of the convening notice, the documents to be presented at the general meeting, the agenda and the complete proposals, as well as the forms to be used for proxy voting or voting by letter unless these are sent directly to the shareholders.

Shareholders are entitled to attend general meetings, either in person or by proxy. A shareholder's right to attend general meetings and to vote at general meetings is determined in proportion to the shares that the shareholder owns on the record date. The record date is one week before the general meeting is held. The shares which the individual shareholder owns are calculated on the record date on the basis of the registration of ownership in the Company's register of owners, as well as notifications concerning ownership which the Company has received with a view to updating the register of owners. In addition, any shareholder who is entitled to attend a general meeting and who wishes to attend must have requested an admission card from the Company no later than three days in advance of the general meeting. The Board of Directors may determine that holders of ADSs as at the record date may attend general meetings, provided that such holders no later than three days before the date of the general meeting have requested an admission card for the relevant general meeting and presented due documentation of their holdings.

Any shareholder is entitled to submit proposals to be discussed at general meetings. However, proposals by the shareholders to be considered at the annual general meeting must be submitted in writing to the Board of Directors no later than six weeks before the annual general meeting.

Extraordinary general meetings must be held at the request of a general meeting, the board of directors, the Company's auditor appointed at the general meeting or shareholders holding at least 5% of the share capital.

General meetings can only form a quorum provided that at least one-third of the share capital is represented. All resolutions passed at general meetings may be adopted by a simple majority of votes unless otherwise prescribed by legislation or the articles of association.

Any adoption of resolutions to amend the articles of association, the dissolution or merger of the Company with another company or firm, the use of the Company's foundation, rejection of the annual report and/or the board of directors' proposal for appropriation of profits, appointment of members of the Company's board of directors requires that at least three-fifths of the share capital is represented at the general meeting and that the resolution is adopted by at least two-thirds of the votes cast unless any such resolution is proposed by the Company's board of directors. Any resolution to amend the Company's articles of association is further subject to the conditions set out in sections 106-107 of the Danish Companies Act, i.e. adoption by at least two-thirds of all votes cast as well as two-thirds of the share capital represented at the general meeting, that certain resolutions which limit a shareholder's ownership or voting rights are subject to approval by a nine-tenth majority of the votes cast and the share capital represented at the general meeting, and that decisions increasing shareholders' obligations towards the Company can only be adopted if all shareholders agree.

In the event that a general meeting has been convened for the purpose of adopting a resolution requiring a qualified majority and if an insufficient number of shares are represented at such meeting, the board of directors shall as soon as possible convene a new general meeting at which the proposal, irrespective of the number of shares represented, may be adopted by five-sixths of the votes cast unless one-third of the votes represented is against the proposal at the first general meeting.

In case of an equality of votes in connection with the election of members to the Board of Directors, auditor/auditors or liquidators, the matter shall be decided by lot between the relevant persons. A proposal shall otherwise be deemed to be rejected if an equal number of votes have been cast for and against the proposal.

In the event that shareholders have decided not to adopt the Company's annual report by a simple majority at the annual general meeting, the general meeting may, notwithstanding the above, decide by simple majority to submit the annual report for a new audit.

21.12 Electronic communication

On April 22, 2009, the annual general meeting resolved to authorise the board of directors to i) fix the date for introduction of communication by electronic means, and to ii) make all necessary amendments to the articles of association, cf. article 6 of the articles of association. Any notices to the Company's shareholders under the Danish Companies Act or the articles of association may take place by electronic mail, and documents may be made available or forwarded in electronic form. The annual report and any other notices required to be given to the shareholders by law must, however, always be available in paper version and forwarded to any shareholders having so requested in writing.

The Board of Directors has not decided to utilise the authorisation to introduce electronic communication.

When the board of directors decides that electronic communication is to be used between the Company and its shareholders, the executive management will request all shareholders recorded in the Company's register of shareholders to provide their current email addresses.

See "Part I – 21.7 Extraordinary general meeting" for a description of TORM's obligation pursuant to the Restructuring Agreement to convene an extraordinary general meeting to adopt certain amendments to the articles of association.

22. Material contracts

The Restructuring Agreement dated October 2, 2012 as entered into between TORM and its Secured Lenders and certain of its Time Charter-in Counterparties facilitated the Restructuring through a complex of agreements. This complex of agreements included TORM's Financing Agreements: a Framework Agreement rescheduling and amending the terms of TORM's Pre-Restructuring Debt Facilities and a Super Senior Working Capital Facility making a new working capital facility available to the Company. See "Part I – 6.1.2 The Restructuring" for a description of the Restructuring Agreement and "Part I – 9. Operating and financial review" for a description of the accounting impact of the Restructuring Agreement.

22.1 Financing Agreements

The debt facilities
The Group's Pre-Restructuring Debt Facilities (as amended as part of the Restructuring) are divided between the following facilities:

Table 44: The Group's bank debt under the Framework Agreement

Facility	Outstanding debt as at November 5, 2012 (USD millions)[1]
Danske Bank A/S / BNP Paribas / HSH Nordbank AG / Skandinaviska Enskilda Banken AB (publ) – USD 900 million revolving credit facility dated April 14, 2008	715
Nordea Bank Danmark A/S / Deutsche Bank AG / Handelsbanken, Copenhagen Branch / HSH Nordbank AG / Nordea Bank Finland plc - USD 500 million revolving credit facility dated December 22, 2006	470
Danmarks Skibskredit A/S – USD 570 million revolving credit facility dated December 10, 2004	223
Société Générale / Bank of China Limited – USD 167 million loan facilities dated November 27, 2009	121
The Export-Import Bank of China – USD 141 million loan facility dated February 1, 2010	107
UniCredit / DBS Bank Ltd. – USD 150 million loan facility dated April 8, 2008	106
The Hong Kong and Shanghai Corporation Limited / DBS Bank Ltd. – USD 237 million revolving credit facility dated December 23, 2005	104
Total	**1,846**

Note: (1) Excluding the Super Senior Working Capital Facility

All vessels owned by TORM, TORM Singapore Pte. Ltd and TORM's other vessel owning entities have been financed under the above facilities.

In addition, a USD 100 million Super Senior Working Capital Facility was made available to the Company as part of the Restructuring. USD 60 million of the Super Senior Working Capital Facility was drawn in connection with completion of the Restructuring to cover, inter alia, accrued interest under the Pre-Restructuring Debt Facilities and costs incurred in connection with the Restructuring.

The Company is the sole borrower under the above mentioned debt facilities except under the USD 167 million loan facility with Bank of China Limited and Société Générale where both the Company and TORM Singapore Pte. Ltd. are borrowers.

Both the Super Senior Working Capital Facility and the Pre-Restructuring Debt Facilities are secured. The security includes mortgages over all vessels owned by TORM and its subsidiaries, pledge over the shares in all vessel owning entities, except the shares in TORM Singapore Pte. Ltd. and the Company

itself, assignment of earnings and insurances in respect of all vessels owned by TORM and its subsidiaries and guarantees from all vessel owning entities, including TORM and TORM Singapore Pte. Ltd.

The Framework Agreement
The Framework Agreement dated November 1, 2012 between TORM and its Secured Lenders aligns all key terms of the Company's Pre-Restructuring Debt Facilities, including maturity, information undertakings, representations and warranties, events of default and covenants, and provides for a retrancing of the debt under the Pre-Restructuring Debt Facilities of USD 1,846 million as of November 5, 2012 based on the loan to vessel value ratio into a senior debt tranche (LTV up to 70%), a junior debt tranche (LTV 70%-110%) and a subordinated debt tranche (sub-divided into subordinated debt tranches 1 and 2) (LTV above 110%). Swap liabilities of USD 46 million was also capitalized as per the date of completion of the Restructuring and added to the junior and subordinated debt tranches (as applicable).

In addition, the Framework Agreement provides a deferral of all installments on the entire bank debt until September 30, 2014 subject to a cash sweep of 75% of any aggregate amount of cash (after payment of interest and only if the Super Senior Working Capital Facility has been fully repaid) above USD 50 million and 100% of any aggregate amount of cash (after payment of interest and only if the Super Senior Working Capital Facility has been fully repaid) above USD 100 million. The Company will be required to repay USD 50 million in the second half of 2014 and USD 100 million annually in the years 2015 and 2016. All Pre-Restructuring Debt Facilities will mature on December 31, 2016.

The Framework Agreement aligns pricing in respect of all Pre-Restructuring Debt Facilities with an average interest margin of approximately 240 basis points across the existing bank debt. Until June 30, 2014 with a possibility of extension to September 30, 2014, interest on the senior debt tranche and the junior debt tranche will only fall due if the Company has sufficient liquidity. If the Company does not have sufficient liquidity, such interest will be rolled up during the period. Interest on subordinated debt tranches will be rolled up in the period until September 30, 2014.

The Framework Agreement contains the following main covenants:

- Minimum liquidity requirements: Cash plus available part of the USD 100 million working capital facility must at all times exceed USD 50 million to be tested from December 31, 2012. This will later adjust to a cash requirement of USD 30 million from September 30, 2014 and USD 40 million from March 31, 2015

- Maximum loan to value ratio: The outstanding debt under the senior debt tranche (currently USD 1,020 million) as a percentage of the Company's fleet value (excl. financial lease vessels) shall be equal to or below 85% at all times to be tested from June 30, 2013. This will gradually step down to 80% from March 31, 2014, 75% from March 31, 2015, 70% from December 31, 2015 and 65% from June 30, 2016

- Maximum consolidated net debt to EBITDA (as both defined for covenant purposes): Initial required ratio of maximum 30:1 to be tested on June 30, 2013 and onwards on a quarterly basis. This ratio will gradually step down to a 6:1 ratio by June 30, 2016

- Minimum interest cover ratio: EBITDA (as defined for covenant purposes) to aggregate accrued interest and similar payments may not exceed a ratio of initially minimum 1.4x to be tested on June 30, 2014 and onwards on a quarterly basis. This ratio will gradually step up to 2.5x by December 31, 2015

The Framework Agreements aligns all general and operational covenants and restrictions, and the covenants and restrictions on TORM now include

- restrictions on TORM's incurrence of further indebtedness and issuing new capital

- prohibition on paying dividends

- prohibition on the entering into of new derivative transactions other than spot exchange contracts in the ordinary course of business

- negative pledge provisions prohibiting TORM from providing further security

- prohibition on acquiring any company, securities or vessels

- prohibition on disposing any vessels and other material assets except as part of the option rights

- restrictions on time charter in from third parties for more than three months and charter out for more than 13 months

Furthermore, the debt facilities include standard event of default provisions, including payment default, breach of covenant, insolvency/insolvency proceedings and cross default (subject to a USD 5 million threshold). Change of control will trigger repayment of all debt facilities made available under the Financing Agreements. Control is defined as more than 25% of the ownership interest in the Company and the clause may be triggered by transfers between the Secured Lenders and Time Charter-in Counterparties.

The Framework Agreement contains individual option rights for the lenders under three bank facilities to request the divestment of vessels being financed by such bank facilities. The options relate to bank facilities financing thirteen, five and four vessels respectively. Under the options, the Company will be required to propose a sales strategy to be agreed with the relevant lenders for the vessels comprised by the option. The lenders under each of the bank facilities have a right, until July 31, 2014 with certain possibilities of extension, to exercise their option relating to the vessels financed by the relevant facility made available by such bank syndicate. If exercised, the option will comprise all vessels in a given facility and any sale of vessels may happen in one or more blocks. If an option is exercised but the relevant vessels are not sold by the Company pursuant to the sales strategy within a specific period, the relevant option holder will have an irrevocable and unfettered right to dispose of the relevant vessels. The lenders under the facility financing five vessels have exercised their option and thus initiated the sales process set out in the Framework Agreement in relation to these five vessels. In case of any sale the remaining outstanding exposure under the relevant facility relating to the vessels sold is to be written off by the Secured Lenders proportionally in accordance with certain agreed principles.

The Framework Agreement is subject to English law and any dispute arising out of or relating to the Framework Agreement is subject to the jurisdiction of the courts of England.

The Super Senior Working Capital Facility
Pursuant to the terms of the Restructuring Agreement, the Company has entered into a new USD 100 million revolving working capital facility. The Super Senior Working Capital Facility is to be used for working capital purposes. USD 60 million of the Super Senior Working Capital Facility was drawn in connection with completion of the Restructuring to cover, inter alia, accrued interest under the Pre-Restructuring Debt Facilities and costs incurred in connection with the Restructuring. The Super Senior Working Capital Facility is available until and matures on September 30, 2014. The Super Senior Working Capital Facility has a cash interest to be paid on a monthly basis of LIBOR + 6.5% with a LIBOR floor of 1.5% and without fixed amortization. Under the Super Senior Working Capital Facility the Company will be subject to a cash sweep of 75% of any aggregate amount of cash (after payment of interest) above USD 50 million and 100% of any aggregate amount of cash (after payment of interest) above USD 100 million. The Super Senior Working Capital Facility will generally have first priority repayment preference ahead of all Pre-Restructuring Debt Facilities.

The Super Senior Working Capital Facility is subject to English law and any dispute arising out of or relating to the Framework Agreement is subject to the jurisdiction of the courts of England.

22.2 Financial leases

AONO/T&T financial sale/leaseback re. TORM AMAZON
In July 2009, TORM Singapore Pte Ltd. sold the Singapore registered vessel, TORM AMAZON, at a purchase price of USD 35 million to T&T Marine S.A. a Company in the AONO group, and in turn the Company leased the vessel from the owner on financial lease terms under sale and leaseback documentation entered into in July 2009. The lease term is eight years, and the Company has an option to acquire the vessel on the 5th, 6th and 7th anniversary of the delivery date at fixed option prices. Similarly, the owner may require that the Company acquires the vessel on the 8th anniversary of the delivery date. The lease agreement is subject to English law.

22.3 Joint venture agreements

LR2 Pool
TORM has, as pool participant, entered into an LR2 pool agreement with A.P. Møller-Mærsk A/S as pool participant and with the limited partnership LR2 Management K/S as commercial manager. Long Range 2 A/S is the general partner of LR2 Management K/S. Both LR2 Management K/S and Long Range 2 A/S are owned by TORM and A.P. Møller-Mærsk A/S in equal shares. Under the LR2 pool agreement, the pool participants place LR2 vessels (large product tankers) in commercial management with LR2 Management K/S. The pool participants may mutually terminate the LR2 pool agreement on December 31 of any year provided a pool board resolution has been made approving such dissolution not less than 6 months earlier. Alternatively, any pool participant may withdraw any or all of their vessels from the pool, provided the vessels' current employment has been completed. If a pool participant withdraws all its vessels, it will cease to be a pool participant. The LR2 pool agreement is governed by English law. The relationship between TORM and A.P. Møller-Mærsk A/S as joint owners of LR2 Management A/S and Long Range 2 A/S is governed by an agreement containing provisions in respect of, inter alia, unanimity in decision-making, deadlock provisions, re-negotiation rights if a party's number of vessels within the LR2 pool materially decrease and exit provisions, including an obligation to offer the ownership stake to the other party if a party withdraws from the LR2 pool. The agreement is subject to Danish law. See also "Part I – 6. Business".

23. Third-party information and statements by experts and declarations of interest

This Listing Prospectus contains historical market data, including information related to the sizes of the markets in which TORM operates.

This information has been obtained from a variety of sources, including professional data suppliers such as Clarksons, Simpson Spence & Young (SSY), R.S. Platou, company websites and other publicly available information as well as TORM's knowledge of the markets. The professional data suppliers state that the historical data they supply has been obtained from sources and by methods deemed to be reliable, but that they do not guarantee the accuracy and completeness of the information. As they are deemed to be reliable, industry forecasts and market research have accordingly not been independently verified by the Company.

Neither TORM nor the Global Coordinator & Joint Lead Manager nor the Joint Lead Managers represent that this historical information is accurate.

Management confirms that information provided by third parties has been correctly reproduced, and that to the best of Management's knowledge and belief based on information published by third parties, no facts have been omitted which would render the information provided inaccurate or misleading.

Market statistics are inherently subject to uncertainty and are not necessarily reflective of actual market conditions. Such statistics are based on market research which itself is based on sampling and subjective judgments.

24. Documents on display

The Company's articles of association, the annual reports for 2009, 2010 and 2011, and the Company's interim report for the nine months ended September 30, 2012 with comparable figures for 2011 may be accessed from the Company's website. The annual reports for the Company's subsidiaries for 2009, 2010 and 2011 will be on display at the Company's registered address. The address of the Company's head office and website is stated in "Part I – 5.1 Name, registered office, etc". The contents of the website do not form part of the Listing Prospectus.

Pursuant to item 20.1 of Appendix I to Commission Regulation (EC) No. 809/2004 of April 29, 2004 implementing Directive 2003/71/EC of the European Parliament and of the Council as regards information contained in prospectuses as well as the format, incorporation by reference and publication of such prospectuses and dissemination of advertisements (the Prospectus Regulation), the Prospectus shall contain audited historical financial information covering the latest three financial years. Pursuant to article 28 of the Prospectus Regulation and section 19(2) of the Danish Prospectus Order, the following information will be incorporated in the Prospectus by reference to the Company's website: http://www.torm.dk. Other than the stated information, the contents of the website do not form part of the prospectus.

25. Information on capital holdings

For information on material investments held by TORM in other companies, see "Part I – 7. Organisational structure".

26. Definitions

ADRs	American Depository Receipts issued through Deutsche Bank Trust Company Americas (formerly known as Bankers Trust Company) as depository agent and listed on NASDAQ Stock Market in accordance with the terms and conditions of the Deposit Agreement dated February 27, 2002 as amended made between Aktieselskabet Dampskibsselskabet Torm as the issuer and Deutsche Bank Trust Company Americas as the depository agent and all holders of American Depository Receipts issued under the said agreement
ADSs	American Depositary Shares created by the deposit of shares of TORM A/S for the execution and delivery of American Depositary Receipts
BNP PARIBAS	BNP PARIBAS, 16, boulevard des Italiens, 75009 Paris, France
Board of Directors	The Board of Directors of TORM A/S, consisting of Niels Erik Nielsen (Chairman), Christian Frigast (Deputy Chairman), Jesper Jarlbæk, Kári Millum Garðarnar and Rasmus J.S. Hoffmann
BWM Convention	The International Convention for the Control and Management of Ships' Ballast Water and Sediments adopted by the IMO on February 13, 2004.
Capital Reduction	On April 23, 2012, the annual general meeting of the Company resolved to decrease the share capital of the Company by an amount of nominally DKK 363,272,000 (corresponding to 99.8% per cent of the nominal share capital) from nominally DKK 364 million to nominally DKK 728,000 by decreasing the nominal amount per share (denomination) from DKK 5.00 to DKK 0.01 by transfer of the reduction amount to a special reserve fund in accordance with Section 188(1)(3) of the Danish Companies Act. The decrease was implemented on November 5, 2012
Company	TORM A/S, Tuborg Havnevej 18, 2900 Hellerup, Denmark or TORM A/S and its subsidiaries unless the context requires otherwise
Danske Bank	Danske Bank A/S, Holmens Kanal 2-12, 1092 Copenhagen K, Denmark
DKK	Danish kroner – the official currency of Denmark
EBIT	Profit after amortisation, depreciation and impairment losses and before financial income/expenses and tax
EBITDA	Profit before amortisation, depreciation and impairment losses, financial income/expenses and tax
EUR	Euro – the official currency of the European Monetary Union
Executive Management	Jacob Meldgaard (CEO) and Roland M. Andersen (CFO)
Financing Agreements	The Framework Agreement dated November 1, 2012 and the Super Senior Working Capital Facility dated October 31, 2012 and the Pre-Restructuring Debt Facilities dated as of their respective dates
Framework Agreement	The framework agreement dated November 1, 2012 entered into between TORM and its Secured Lenders pursuant to the terms of the Restructuring Agreement

Global Coordinator & Joint Lead Manager	Danske Bank
Group	TORM A/S and its subsidiaries unless the context requires otherwise
IFRS	International Financial Reporting Standards as adopted by the EU
Joint Lead Managers	BNP PARIBAS, Nordea Markets – Investment Banking and SEB Enskilda
Listing	The admission to listing and official trading on NASDAQ OMX Copenhagen of 655.2 million new shares (the Listing Shares) expected to take place on December 10, 2012
Listing Prospectus	This Listing Prospectus dated December 7, 2012
Listing Prospectus Date	December 7, 2012
Listing Shares	The 655.2 million new shares in the Company with a nominal value of DKK 0.01 issued in the Private Placement at a subscription price of DKK 1.79
Management	The Board of Directors and Executive Management of the Company
NASDAQ OMX Copenhagen	NASDAQ OMX Copenhagen A/S
Nordea	Nordea AB (publ) Group
Nordea Markets – Investment Banking	Nordea Markets – Investment Banking (Division of Nordea Bank Danmark A/S), Strandgade 3, 0900 Copenhagen C, Denmark
Pre-Restructuring Debt Facilities	TORM's debt facility agreements with the Secured Lenders existing prior to the completion of the Restructuring (to the extent relevant, as amended as part of the Restructuring)
Pre-Restructuring Shareholders	Any person registered as a shareholder of the Company prior to the Private Placement
Pre-Restructuring Shares	72.8 million outstanding shares in the Company prior to the Private Placement each with a nominal value as at the Restructuring of DKK 0.01
Private Placement	The private placement of 655.2 million new shares (the Listing Shares) on November 5, 2012 at a subscription price of DKK 1.79
Prospectus Order	Executive Order No. 643 of June 19, 2012 issued by the Danish Financial Supervisory Authority on the requirements for prospectuses
Regulation S	Regulation S under the U.S. Securities Act of 1933, as amended
Restructuring	The restructuring of TORM as agreed with its Secured Lenders and Time Charter-in Counterparties in which connection TORM inter alia entered into the Restructuring Agreement and the Financing Agreements as further described under "Part I – 6.1.2 The Restructuring", and completed on November 5, 2012.

Restructuring Agreement	The restructuring agreement between TORM and its Secured Lenders and certain of its Time Charter-in Counterparties dated October 2, 2012 with schedules
ROIC	Return on Invested Capital is defined as: Operating profit divided by average Invested capital, defined as average of beginning and ending balances of (equity plus Net interest-bearing debt less Non-operating assets)
SEB	Skandinaviska Enskilda Banken AB (publ), Kungsträdgårdsgatan 8, 106 40 Stockholm, Sweden
SEB Enskilda	SEB Enskilda Corporate Finance, Skandinaviska Enskilda Banken, Denmark, branch of Skandinaviska Enskilda Banken AB (publ), Bernstorffsgade 50, 1577 Copenhagen V, Denmark
Secured Lenders	The original lenders under TORM's Pre-Restructuring Debt Facilities, Bank of China Limited, BNP Parisbas, Danmarks Skibskredit A/S, Danske Bank A/S, DBS Bank Ltd., Deutsche Bank AG (acting through its London Branch), Deutsche Bank AG Filiale Deutschlandgeschäft, Handelsbanken (Branch of Svenska Handelsbanken AB (publ), Sweden), HSH Nordbank AG, Nordea Bank Danmark A/S, Nordea Bank Finland plc, Skandinaviska Enskilda Banken AB (publ), Société Générale, The Export-Import Bank of China, The Hongkong and Shanghai Banking Corporation Limited (acting through its Singapore Office) and UniCredit Bank AG, and the financial institutions providing the Super Senior Working Capital Facility, BNP Paribas, Danmarks Skibskredit A/S, Danske Bank A/S, DBS Bank Ltd., Deutsche Bank AG Filiale Deutschlandgeschäft, HSH Nordbank AG, Nordea Bank Danmark A/S, Skandinaviska Enskilda Banken AB (publ) and The Hongkong and Shanghai Banking Corporation Limited
Shares	The Pre-Restructuring Shares and the Listing Shares each with a nominal value of DKK 0.01
Subscription Price	DKK 1.79 per Listing Share
Super Senior Working Capital Facility	The super senior working capital facility agreement dated October 31, 2012 entered into between TORM and certain of its Secured Lenders, BNP Paribas, Danmarks Skibskredit A/S, Danske Bank A/S, DBS Bank Ltd., Deutsche Bank AG Filiale Deutschlandgeschäft, HSH Nordbank AG, Nordea Bank Danmark A/S, Skandinaviska Enskilda Banken AB (publ), The Hongkong and Shanghai Banking Corporation Limited, pursuant to the terms of the Restructuring Agreement
Time Charter-in Counterparties	Certain owners of vessels on bareboat or time charter to TORM prior to the completion of the Restructuring taking part in the Restructuring
TORM	TORM A/S, Tuborg Havnevej 18, 2900 Hellerup, Denmark or TORM A/S and its subsidiaries unless the context requires otherwise
Treasury shares	As of the Listing Prospectus Date, the Company holds 7 million Shares
USD	U.S. dollars – the official currency of the United States.
VP Securities	VP Securities A/S, Weidekampsgade 14, 2300 Copenhagen S, Denmark

27. Glossary

To facilitate a better understanding of TORM's business, the following glossary provides an explanation on some of the shipping terms and abbreviations used in the Listing Prospectus. The terms and their assigned meanings may not correspond to standard industry meanings or usage of these terms.

Available Earning Days	Available earning days are the total number of days in a period when a vessel is ready and available to perform a voyage, meaning the vessel is not off-hire or in dry-dock
Ballast water	Water used to improve the stability and control the draft of a ship. When a vessel is not carrying cargo, it is said to sail "ballast"
Bareboat Charter	Involves the chartering of a vessel for a fixed period of time and at a fixed rate. However, unlike a time charter, a bareboat charter requires the charterer to pay for all operating expenses and for the maintenance of the vessel in addition to voyage costs, including bunker costs
Bunkers	Fuel oil used to operate a vessel's engines, generators and boilers
Capesize	A drybulk vessel with a cargo-carrying capacity of 120,000 dwt or greater
Cash sweep	A provision under a loan facility pursuant to which cash held by the borrower above certain thresholds is required to be paid to lender
Charter	The hire of a vessel for a specified period of time or to carry a cargo for a fixed fee from a loading port to a discharging port. The contract for a charter is called a charterparty
Charterer	The company/customer that hires a vessel pursuant to a Charter
Charter hire	Money paid to the ship owner by a charterer for the use of a vessel under a time charter or bareboat charter
Charter rate	The amount of money agreed between the charterer and the ship-owner accrued on a daily or monthly basis that is used to calculate the vessel's charter hire
Classification Society	An independent society that certifies that a vessel has been built and maintained according to the society's rules for that type of vessel and complies with certain applicable rules and regulations of the country in which the vessel is registered, as well as requirements in relevant international conventions
Contract of Affreightment	Relates to the carriage of specific quantities of cargo with multiple voyages over same trading route (subject to diversity) and over a specific period of time. A contract of affreightment ("COA") does generally not designate the specific vessels or voyage schedules that will transport the cargo, thereby providing both the charterer and ship owner greater operating flexibility than with time charters alone. The charterer has the flexibility to determine the individual voyage scheduling at a future date while the ship owner may use different ships to perform these individual voyages. As a result, COAs are mostly entered into by large fleet operators or ship owners with large fleets of the same vessel type. All of the vessels operating, voyage and capital costs are borne by the ship owner while the freight rate normally is agreed on the basis of total volume
Deadweight Ton ("dwt")	A unit of a vessel's capacity for cargo, fuel oil, stores and crew, measured in metric tons. A vessel's deadweight or total deadweight is

	the total weight the vessel can carry when loaded to a particular load line
Designated Person	The designated person is the key link in the safety chain for ship operations. The designated person has direct access to the Executive Management and has the responsibility and authority for monitoring safety and pollution prevention of each ship in TORM's fleet
Draft	Vertical distance between the waterline and the bottom of the vessel's keel
Drybulk	Non-liquid cargoes of commodities shipped in an unpackaged state
Drybulk vessels	Vessels which are specially designed and built to carry drybulk
Earning days	See Available Earning Days
Handymax	A drybulk vessel with a cargo-carrying capacity of 40,000 - 64,999 dwt.
Handysize (drybulk)	A drybulk vessel with a cargo-carrying capacity of 10,000 - 39,999 dwt.
Handysize (tanker)	A product tanker with a cargo-carrying capacity of 25,000 - 39,999 dwt.
Hull	Shell or body of a ship
IMO	International Maritime Organization, a United Nations agency that issues international regulations and standards for shipping
ISM Code	The International Management Code for the Safe Operation of Ships and for Pollution Prevention, as adopted by the International Maritime Organization
LR1	A product tanker with a cargo-carrying capacity of 70,000 - 99,999 dwt.
LR2	A product tanker with a cargo-carrying capacity of of 100,000 dwt or greater
LTV	The aggregate outstanding debt under the senior tranche of the Framework Agreement as a percentage of the aggregate fair market value of all vessels owned by TORM
MR	A product tanker with a cargo-carrying capacity of 40,000 - 55,000 dwt.
Newbuilding	A new vessel under construction or just completed
OPA	Oil Pollution Act of 1990 of the U.S. (as amended)
Operating Expenses	Operating expenses are the costs of crew wages and related costs, the costs of spares and consumable stores, expenses relating to repairs and maintenance (excluding drydocking), the cost of insurance, tonnage taxes and other miscellaneous expenses
Orderbook	The orderbook refers to the total number of currently placed orders for the construction of vessels or a specific type of vessel worldwide
Panamax	A drybulk vessel with a cargo-carrying capacity of 65,000 - 119,999 dwt.
Petroleum Products	Refined crude oil products such as gasoline, jetfuel, kerosene, naphtha, diesel oil and fuel oil
Pools	Pooling arrangements that enable participating vessels to combine their revenues and share their voyage expenses. The commercial management of vessels entered into pools is handled by the pool manager who secures employment for the participating vessels

Product Tanker	A vessel designed to carry a variety of liquid products varying from crude oil to clean and dirty petroleum products, acids and other chemicals, as well as edible oils. The tanks are coated to prevent product contamination and hull corrosion. The ship may have equipment designed for the loading and unloading of cargoes with a high viscosity
Protection and Indemnity ("P&I") Insurance	Insurance obtained through mutual associations (called "Clubs") formed by ship-owners to provide liability insurance protection against a large financial loss by one member by contribution towards that loss by all members. To a great extent, the risks are reinsured
Scrapping	The disposal of old or damaged vessel tonnage by way of sale as scrap metal
Short-Term Time Charter	A time charter which lasts less than 12 months
Small Tankers	A product tanker with a cargo-carrying capacity of 10,000 - 24,999 dwt.
Spot Charter	Spot charter is an industry term referring to both voyage and trip time charters. These charters are referred to as spot charters or spot market charters due to their short-term duration, constituting mostly of a single voyage between one load port and one discharge port
Spot Freight Rates	Average TCE Earnings per earnings day for all charters with less than six months duration = Gross freight income less bunker, broker commissions and port expenses
TCE earnings	TCE earnings means time charter equivalent earnings, which is revenue less voyage expenses, meaning port expenses, bunkers, commissions, and freight and bunkers derivatives. TCE earnings in dollars per available earning day divides TCE earnings in dollars among the available earning days. TCE earnings per available earning day is a standard seaborne transportation industry performance measure used primarily to compare period-to-period changes in a seaborne transportation company's performance despite changes in the mix of charter types (i.e., spot charters, time charters and bareboat charters) under which the vessels may be employed during specific periods
Time Charter	Time charters involve a charterer hiring a vessel for a fixed period and a fixed rate, which may range from a short number of days, as in the spot market, to several years. In a time charter, the owner bears operating costs, while the charterer is responsible for the voyage costs, including bunker costs
Very Large Crude Carriers	Crude carriers with a cargo-carrying capacity of 260,000 - 320,000 dwt.
Vessel Operating Expenses	See Operating Expenses
Voyage Charter	The shipment of a specific amount and type of cargo on a load-port to discharge-port basis, subject to various cargo handling terms. Most of these charters are on a spot voyage basis. The ship owner is responsible for paying both operating costs and voyage costs. The charterer is responsible for any delay at the loading or discharging ports
Voyage Expenses	Expenses incurred due to a vessel's travelling from a loading port to a discharging port, such as fuel (bunker) cost, port expenses, agent's fees, canal dues and extra war risk insurance, as well as commissions

II. The Listing

1. Responsibility statements

For an overview of persons responsible, see “Persons responsible”.

2. Risk factors related to the Listing

For a description of risk factors in connection with the Listing, see “Risk factors”.

3. Key information

3.1 Working capital

There can be given no certainty that the Group's working capital is sufficient to cover its present requirements for the period until 12 months after the Listing Prospectus Date. TORM's Financing Agreements contain strict financial covenants and there is uncertainty relating to TORM's business in the period following the Restructuring. If the difficult market conditions experienced during 2012 continue to prevail, TORM expects to be in breach under both the Super Senior Working Capital Facility and the facilities governed by the Framework Agreement at the time of testing of the financial covenants on June 30, 2013 and, under certain scenarios, before or after this date. In case of a breach, the Secured Lenders may require that both the Super Senior Working Capital Facility and the facilities governed by the Framework Agreement fall due for repayment, and TORM cannot expect to have or be able to obtain sufficient financing to cover such repayment. In such case, TORM does not have sufficient working capital for its present requirements for the period until 12 months after the Listing Prospectus Date. In the current situation, TORM is not seeking additional financing, and TORM does not consider it likely that TORM can arrange for additional financing to cover repayment obligations in the event of a breach of covenants. Instead, in the event a breach of covenants becomes apparent, TORM plans to initiate renegotiations of the covenants with the Secured Lenders. Such renegotiations, if initiated, may be lengthy and there can be no certainty that they will be successful. Ultimately, if TORM is unable to reach new agreements with the Secured Lenders and other creditors, TORM could be forced to enter into insolvency proceedings.

During the next 12 months the financial covenants in the Financing Agreements will be tested as follows:

- Liquidity requirements: Cash plus available part of the USD 100 million working capital facility must exceed USD 50 million at all times from December 31, 2012. This will later adjust to a cash requirement of USD 30 million from September 30, 2014 and USD 40 million from March 31, 2015. As at November 5, 2012 the Company had liquidity of USD 65 million, consisting of USD 25 million cash and USD 40 million undrawn Super Senior Working Capital Facility.

- Loan to value ratio: The outstanding debt under the senior debt tranche as a percentage of the Company's fleet value (excl. financial lease vessels) shall be equal to or below 85% at all times during the period from June 30, 2013 and until 12 months after the Listing Prospectus Date. Based on the fleet value of USD 1,316 million as at September 30, 2012 and the outstanding debt under the senior debt tranche as at November 5, 2012 of USD 1,020 million the loan to value ratio is 78%. From June 30, 2013 the fleet value must be at least USD 1,200 million, i.e. the fleet value must not decline more than 9%, to be in compliance with this covenant (assuming that the senior debt tranche is unchanged). The value of the fleet as of September 30, 2012 declined 28% during the period September 30, 2011 to September 30, 2012.

- Consolidated net debt to EBITDA: Initial required ratio of maximum 30:1 to be tested June 30, 2013 and September 30, 2013 during the 12 months following the Listing Prospectus Date. Based on net debt as defined for covenant purposes equal to USD 1,896 million as at November 5, 2012, EBITDA as defined for covenant purposes for the period June 30, 2012 to June 30, 2013 must be minimum USD 63 million to be in compliance with this covenant on June 30, 2012 (assuming that the net debt is unchanged). The EBITDA as defined for covenant purposes for Q3 2012 was USD 1 million and consequently the EBITDA for covenant purposes for the period October 1, 2012 to June 30, 2013 must exceed USD 62 million in order not to breach the covenant. If the difficult market conditions experienced during 2012 continue to prevail for a longer period TORM does not expect to reach this EBITDA level.

- Interest cover ratio: Not to be tested during the 12 months following the Listing Prospectus Date.

Please see "Part I – 10. Capital resources" and "Part I – 22. Material contracts" for further details of

the Company's loan transactions, repayment obligations, change of control and other default provisions.

3.2 Capitalisation and debt

As of September 30, 2012, the Company's liabilities totalled USD 2,149 million.

The table below should be read in conjunction with "Part I – 9. Operating and financial review", "Part I – 10. Capital resources" and "Part I – 22. Material contracts". The table presents the Company's capital and indebtedness as of September 30, 2012 in the first column on the basis of the interim consolidated financial statements included in pages F212 – F225. The column titled "Restructuring impact" presents the accounting impact from Table 16 that occured upon the Restructuring. The column titled "September 30, 2012 adjusted for Restructuring impact" presents the hypothetical situation as if the Restructuring had been completed on September 30, 2012 with the accounting impact presented in Table 16. The two columns "Restructuring impact" and "September 30, 2012 adjusted for Restructuring impact" are solely included for illustrative purposes, to address a hypothetical situation and do not reflect the actual financial position.

Table 45 – Capital and indebtedness as at September 30, 2012 (unaudited)

	September 30, 2012 USD mill.	**Restructuring impact USD mill.**	**September 30, 2012 adjusted for Restructuring impact USD mill.**
Liabilities			
Non-current liabilities	86	1,875	1,961
whereof guaranteed	*0*	*0*	*0*
whereof secured	*27*	*1,875*	*1,902*
whereof unguaranteed/unsecured	*59*	*0*	*59*
Current liabilities	2,063	(1,977)	86
whereof guaranteed	*0*	*0*	*0*
whereof secured	*1,844*	*(1,844)*	*0*
whereof unguaranteed/unsecured	*219*	*(133)*	*86*
Total Liabilities	**2,149**	**(102)**	**2,047**
Shareholders equity			
Common shares	61	(60)	1
Special reserve	0	61	61
Treasury shares	(17)	0	(17)
Revaluation reserves	6	0	6
Retained profit	331	54	385
Proposed dividends	0	0	0
Hedging reserves	(27)	0	(27)
Translation reserves	4	0	4
Total Equity	**358**	**55**	**413**

Note: In addition the security provided by TORM, the Company's obligations under the loan facilities with Société Générale / Bank of China Limited are also secured by way of a guarantee from Sinosure (China Export and Credit Insurance Corporation)

3.3 Interests of natural and legal persons in the Listing

The preparation of this Listing Prospectus and the Listing of the Listing Shares is part of the Restructuring and should be seen in the general context of the Restructuring. See "Part I – 6.1.2 The Restructuring" for details on the Restructuring Agreement.

BNP PARIBAS, Danske Bank, Nordea and SEB have granted loans to the Company, and all banks have subscribed or had the opportunity to subscribe for a substantial number of the Listing Shares in connection with the completion of the Restructuring. Danske Bank is Global Coordinator & Joint Lead Manager and BNP PARIBAS, Nordea and SEB Enskilda are Joint Lead Managers of the Listing.

The Company is not aware of any other potential conflicts of interest in relation to the Listing of the Listing Shares that would be material to the Company.

3.4 Background for the Listing

During the financial crisis and the slowdown of the global economy, which contributed to continuously low freight rates and cyclical low vessel values, TORM's financial situation gradually deteriorated. As a consequence TORM initiated a dialogue with its creditors and achieved a temporary standstill agreement with its Secured Lenders in December 2011, which was subsequently extended several times afterwards. In April 2012, TORM announced that it had signed a conditional agreement in principle with its Secured Lenders and certain of its major Time Charter-in Counterparties regarding a long-term financing solution which formed the basis of the Restructuring Agreement. The Restructuring was completed on November 5, 2012.

The Restructuring has secured TORM a substantial debt deferral, new liquidity and cost reductions from the restructured time charter book enabling TORM to become cash flow positive at the current rate levels.

Pursuant to the terms of the Restructuring Agreement and related agreements, the Secured Lenders and Time Charter-in Counterparties received a consideration for the Super Senior Working Capital Facility, the amendments to the Company's loan facilities and the changes and certain releases and waivers in relation to the Time Charter-in Counterparty contracts consisting of a restructuring fee and agreed debt representing a total value of approximately USD 200 million in aggregate which was converted into the Listing Shares upon completion of the Restructuring on November 5, 2012.

The equity to the Secured Lenders and the Time Charter-in Counterparties (or their assignees) was issued in a Private Placement of 655.2 million new shares (the Listing Shares) on November 5, 2012 at a subscription price of DKK 1.79 resulting in a new shareholder structure of the Company where the Pre-Restructuring Shareholders retained 10% ownership of TORM, the Secured Lenders (or their assignees) obtained 72.8% ownership, and the Time Charter-in Counterparties (or their assignees) obtained 17.2% ownership. The distribution of the Listing Shares represented an equity allocation agreed between the Secured Lenders and the Time Charter-in Counterparties.

The Listing Shares issued through the Private Placement were registered with the Danish Business Authority on November 5, 2012 and are currently issued under the temporary ISIN code DK0060443877, which is not listed on NASDAQ OMX Copenhagen.

The purpose of this Listing Prospectus is to have the Listing Shares admitted to trading and official listing on NASDAQ OMX Copenhagen.

The Listing Shares are expected to be admitted for trading and official listing on NASDAQ OMX Copenhagen on December 10, 2012 under the existing ISIN code DK0060082915.

4. Information concerning the Listing Shares to be listed

4.1 Type of securities and ISIN codes

The Company's Pre-Restructuring Shares are admitted to trading and official listing on NASDAQ OMX Copenhagen under ISIN code DK0060082915.

The Listing Shares are issued with the temporary ISIN code DK0060443877. The Listing Shares will not be admitted for trading and official listing on NASDAQ OMX Copenhagen under the temporary ISIN code. Upon completion of the Listing, the Listing Shares will be admitted to trading and official listing under the ISIN code of the Pre-Restructuring Shares, DK0060082915, on December 10, 2012.

4.2 Applicable law and jurisdiction

This Listing Prospectus has been prepared in compliance with Danish legislation and regulations, including the Danish Securities Trading Act and the Danish Prospectus Order. Any dispute which may arise as a result of the Listing shall be brought before the Danish courts of law.

4.3 Registration

The Listing Shares were delivered in book entry form through allocation to accounts with VP Securities through a Danish bank or other institution authorised as the custodian of such shares. The Listing Shares are in non-certificated bearer form. The Listing Shares were issued to the bearer but may be registered in the name of the holder in the Company's register of owners through the holder's custodian bank.

4.4 Currency

The Listing Shares are denominated in DKK.

There are no laws in Denmark that restrict the export or import of capital (except for certain investments in areas in accordance with applicable resolutions adopted by the United Nations and the European Union), including, but not limited to, foreign exchange controls, or that affect the remittance of dividends, interest or other payments to non-resident holders of the Listing Shares. The prevailing legislation regarding dividend tax is described in "Part II – 4.11 Taxation". As a measure to prevent money laundering and financing of terrorism, persons travelling in and out of Denmark carrying amounts of money (including, but not limited to, cash and travellers checks) worth the equivalent of EUR 10,000 or more must declare such amounts with the Danish Customs Authority when travelling in or out of Denmark.

4.5 Rights attached to the Listing Shares

The Listing Shares are registered with the Danish Business Authority and have the same rights as the Pre-Restructuring Shares. See "Part I – 21.5 Description of the Company's Shares".

4.6 Resolutions, authorisations and approvals of the Private Placement

Pursuant to the terms of the Restructuring Agreement and the related agreements, the Secured Lenders and Time Charter-in Counterparties received a consideration for the Super Senior Working Capital Facility, the changes to the Company's loan facilities and the changes and certain releases and waivers in relation to the Time Charter-in Counterparty contracts consisting of a restructuring fee and agreed debt of approximately USD 200 million in aggregate which was converted into the Listing Shares upon completion of the Restructuring on November 5, 2012.

The equity to the Secured Lenders and the Time Charter-in Counterparties was issued in a Private Placement of 655.2 million Listing Shares on November 5, 2012 at a subscription price of DKK 1.79

resulting in a new shareholder structure of the Company where the Pre-Restructuring Shareholders retained 10% ownership of TORM, the Secured Lenders or their assignees obtained 72.8% ownership, and the Time Charter-in Counterparties or their assignees obtained 17.2% ownership. The distribution of the Listing Shares represented an equity allocation agreed between the Secured Lenders and the Time Charter-in Counterparties.

The issuance of the Listing Shares took place pursuant to an authorisation granted to the Board of Directors at the Company's annual general meeting on April 23 2012. At the meeting, the Board of Directors was authorised to increase the share capital by issuance of new shares at a rate discounted to the market price against payment in cash, conversion of debt or contribution of assets other than cash without pre-emptive subscription rights. The authorisation was adopted as a new § 2.14 of the articles of association.

As stated in company announcement no. 31 dated October 2, 2012, TORM retained the assistance of the international financial advisor Evercore Group LLC in connection with the Restructuring. In addition, the Board of Directors obtained a valuation opinion letter from the international investment advisor Moelis and Company UK LLP and a valuation report from the accounting firm Ernst & Young PS with respect to the debt conversion and the issue of the Listing Shares to the Secured Lenders and Time Charter-in Counterparties

The Listing Shares issued in connection with the completion of the Restructuring and the Private Placement is expected to be admitted for trading and official listing on NASDAQ OMX Copenhagen under the existing ISIN code on December 10, 2012.

See "Part I – 22. Material contracts".

4.7 Issue date of the Listing Shares

The Listing Shares were registered with the Danish Business Authority on November 5, 2012 and issued through VP Securities the same day.

The first day of trading for the Listing Shares is expected on December 10, 2012.

4.8 Negotiability and transferability of the Shares

The Shares are negotiable instruments under Danish law and there are no restrictions with respect to the transferability of the Pre-Restructuring Shares or the Listing Shares. General transfer restrictions in connection with the Shares are described in "Part II – 5. Terms and conditions of the Listing". The articles of association of the Company does not contain obligations on shareholders to have their shares redeemed.

4.9 Danish regulations governing mandatory takeover bids, redemption of shares and disclosure requirements

Mandatory bids
Part 8 of the Danish Securities Trading Act and the executive order of March 10, 2010 on takeover bids issued pursuant thereto lay down rules concerning public offers for the acquisition of shares in companies admitted to trading on a regulated market (including NASDAQ OMX Copenhagen) or an alternative market place.

If a shareholding in a company with one or several share classes admitted to trading on a regulated market or an alternative market place is transferred, directly or indirectly, to an acquirer or to persons acting in concert with such acquirer, the acquirer shall enable all shareholders of the company to dispose of their shares on identical terms, if such transfer involves the acquirer obtaining a controlling influence.

A controlling influence exists when the acquirer directly or indirectly holds more than half of the voting

rights in a company, unless in special cases it can be clearly demonstrated that such holding does not constitute a controlling interest.

A controlling influence also exists if an acquirer who owns 50% or less of the voting rights of a company has:

- the right to control more than half of the voting rights in accordance with an agreement with other investors;
- the right to control the financial and operational affairs according to the articles of association or an agreement;
- the right to appoint or dismiss a majority of the members of the supreme governing body and this body has a controlling influence in the company; or
- more than one-third of the voting rights in the company and the actual majority of the votes of the general meeting or any other similar body and thereby possesses the actual controlling influence in the company.

The existence and effect of any potential voting rights, including warrants and options to purchase shares, which may currently be exercised or converted must be taken into account in the assessment of whether an acquirer has a controlling influence. Exemptions from the mandatory bid requirement may be granted under certain circumstances by the Danish FSA.

In connection with the Restructuring, the Secured Lenders and certain of the Time Charter-in Counterparties obtained an exemption from the mandatory Danish takeover rules from the Danish Financial Supervisory Authority.

Squeeze out
According to section 70 of the Danish Companies Act, shares in a company may be redeemed in whole or in part by a shareholder holding more than nine-tenths of the shares and a corresponding share of the voting rights in the company. Furthermore, according to section 73 of the Danish Companies Act, a minority shareholder may require a majority shareholder holding more than nine-tenths of the shares and the corresponding voting rights to redeem the minority shareholder's shares.

Major shareholdings
Pursuant to section 29 of the Danish Securities Trading Act, any person holding shares in a company the shares of which have been admitted to trading in a regulated market is required to notify the company and the Danish FSA as soon as possible if the shareholder's stake represents 5% or more of the voting rights in the company or the nominal value accounts for 5% or more of the share capital, and when a change of a holding already notified entails that the thresholds of 5, 10, 15, 20, 25, 50 or 90% and one-third and two-thirds of the share capital's voting rights or nominal value are reached or are no longer reached.

The notification must comply with the requirements set out in sections 15 and 16 of the Danish executive order no. 668 dated 25 June 2012 on major shareholders, and must state the identity of the shareholders and the date where the threshold is reached or no longer reached.

When the company has received a notification, the Company must publish the content of such notification to the Company as soon as possible in a company announcement. Furthermore the general duty of notification under the Danish Companies Act in respect of notification of significant holdings applies.

4.10 Public takeover bids by third parties for the Company's Pre-Restructuring Shares during the previous or current financial year

No public takeover bids by third parties for the Company's Shares have been presented during the

previous or current financial year.

4.11 Taxation

Danish taxation
The rules described below represent a general summary. It is not a detailed description of Danish tax rules applicable to an investment in Shares. The summary is not intended to be tax or legal advice.

This summary solely describes the rules in Denmark that were in force as of the Listing Prospectus Date. Danish tax law is subject to changes, in some cases with retroactive effect.

The summary does not cover investors to whom special rules apply, such as investors subject to the Danish Act on Pension Investment Return (i.e. pension savings), professional investors, certain institutional investors, insurance companies, pension companies, banks, stockbrokers and investors liable to tax on returns on pension investments, or investors holding "subsidiary shares" (generally defined as shares held in companies in which the company shareholder holds 10% or more of the share capital), or investors holding "group shares" (generally defined as shares in a company in which the shareholder and the company are jointly taxed or meet the criteria for international joint taxation).

The summary does not cover taxation of individuals and companies who carry on business purchasing and selling shares. Sales are assumed to be sales to a third party.

Potential investors in Shares are advised to consult their tax advisers regarding the applicable tax consequences of acquiring, holding, exercising and disposing of Shares based on their particular circumstances. Investors who are non-residents of Denmark may be affected by the tax laws of their country of residence and should therefore consult their tax advisers with respect to the tax consequences applicable to their particular circumstances as such consequences may differ significantly from those described herein.

Taxation of shareholders subject to full tax liability in Denmark
Individuals are normally subject to full tax liability in Denmark if they are residing in Denmark or have spent six consecutive months within one year in Denmark. Companies are normally subject to full tax liability in Denmark if they are registered in Denmark or if the management of the company effectively takes place in Denmark. If individuals or companies are also subject to tax liability in any other country than Denmark, special rules may apply that are not described here.

Sale of shares — individuals
Gains arisen from the sale of shares are taxed as share income. In 2012, share income is taxed at a rate of 27% on the first DKK 48,300 and at a rate of 42% of share income exceeding DKK 48,300. For spouses cohabiting at the end of the income year, the threshold is DKK 96,600. The threshold is adjusted on an annual basis, however, the next adjustment is not until 2014. Losses on the sale of listed shares can only be offset against the year's share income deriving from listed shares, including dividends received and capital gains on the sale of listed shares. Losses exceeding the year's share income can be offset against a cohabiting spouse's share income deriving from listed shares, provided the spouses live together by the end of the income year. Remaining losses can be carried forward indefinitely and offset against future share income deriving from listed shares.

Deductibility of the losses are subject to the customs Danish tax authorities having received notice of the acquisition of the shares, including the identity and number of the shares, the date of acquisition and the purchase price, before the final date for filing the tax return for the income year in which the acquisition took place. This information is normally provided directly to the tax authorities by the financial institution or the securities dealer.

If the shares have been acquired gradually, the shares acquired firstly are regarded as being sold firstly (FIFO principle).

Gains and losses on the sale of listed shares are made up as the difference between the purchase

price and the sales price. The purchase price is calculated according to the average method, i.e. as a share of the total purchase price of all shares in the relevant company owned by the shareholder.

Sales of shares – companies
Gains on listed portfolio shares (owner's share less than 10%) are taxable as corporate income irrespective of the length of the ownership period and losses are tax deductible.

Gains on listed shares are taxable according to the mark-to-market principle. According to the mark-to-market principle, each year's taxable gain or loss is calculated as the difference between the market value of the shares at the beginning and the end of the tax year. Thus, taxation will take place on an unrealised basis, irrespective of whether no shares have been disposed of and no gains or losses have been realised. Gains are taxed at a rate of 25%. Losses can also be deducted in other corporate taxable income.

Dividends – individuals
For individuals subject to tax liability in Denmark, dividends are taxed as share income as described above.

The total annual share income is included in the assessment of whether the floor of DKK 48,300 (2012) is exceeded and whether the dividends are consequently subject to taxation at the rate of 42% instead of 27%.

Under Danish law, the Danish dividend-paying company is generally obligated to withhold Danish tax at the rate of 27% on dividends paid to individuals.

Dividends – companies
Dividends on shares are taxed as normal corporate income at 25% irrespective of the length of the ownership period. Dividends paid to Danish companies are normally subject to a withholding tax of 25%.

Taxation of shareholders not subject to full tax liability in Denmark

Sale of shares
A non-resident of Denmark will normally not be subject to Danish tax on any gains realised on the sale of shares, unless the gain concerns a permanent establishment for the non-resident shareholder, including gains, losses and dividends on shares comprised by the establishment's fixed asset investment

Dividends
Under Danish law, the Danish dividend-paying company is generally obligated to withhold Danish tax at the rate of 27%, irrespective whether the non-resident shareholder is an individual or a company. Shareholders who are not subject to full tax liability in Denmark and are not a permanent establishment in Denmark are not subject to further tax liability in Denmark with respect to dividends paid.

In the event that the dividend-receiving individual or company is comprised by a double taxation treaty between the country in which the individual/company is resident and Denmark, the shareholder may seek a refund from the Danish tax authorities of the dividend tax withheld in excess of the tax Denmark is entitled to collect in accordance with the double taxation treaty. Furthermore, if an agreement for exchange of information between the two countries' tax authorities has been entered into, it is also possible for the dividend receiving individual or company to seek a refund from the Danish tax authorities of the dividend tax withheld in excess of 15%. However, for individuals resident within the EU this rule only apply if they own less than 10% of the share capital. For individuals resident outside the EU the total share capital held by this individual and group related parties must be less than 10%. Denmark has executed double taxation treaties with approximately 80 countries, including the United States and almost all members of the EU. The treaty between Denmark and the United States generally provides for a 15% dividend tax rate.

Denmark has executed double taxation treaties with approximately 80 countries, including the U.S. and almost all members of the EU. The treaty between Denmark and the U.S. generally provides for a 15% dividend tax rate.

Subject to permission from the Danish tax authorities, the rate of tax at source may be reduced so that the dividend tax comprises only the rate provided in the double taxation treaty.

Applications for refunds (also in advance) of withholding tax are to be approved by the shareholders local tax authorities by filling in form 06.003 and submitting it to the Danish tax authorities. The form can be downloaded from the website of the Danish tax authorities at: www.skat.dk/getFile.aspx?Id=70193.

Individuals who are subject to tax liability in the U.S., Canada, Germany, The Netherlands, Belgium, Luxembourg, Norway, Sweden, Ireland, Switzerland, Greece and Great Britain are subject to an special arrangement where the dividend tax rate of 27% is reduced to the rate agreed in the relevant double taxation treaty. In order to be able to profit from this arrangement, shareholders fulfilling the conditions must deposit their shares in a Danish bank and the portfolio of shares must be registered and administered by VP Securities. Shareholders must also document information on residency and tax liability in a form to be certified by the relevant foreign tax authorities. The shareholder will, normally, be able to agree with the depository bank that the bank will procure the relevant form.

If a non-resident shareholder holds shares that are attributable to a permanent establishment, dividends in respect of such shares are taxed according to the rules applicable to shareholders resident in Denmark

5. Terms and conditions of the Listing

5.1 Terms, expected timetable and restrictions

The Listing Shares are registered under the temporary ISIN code DK0060443877. The Listing Shares are not admitted for trading and official listing on NASDAQ OMX Copenhagen under the temporary ISIN code. Upon completion of the Listing, the Listing Shares will be admitted to trading and official listing under the ISIN code of the Pre-Restructuring Shares, which is expected to take place on December 10, 2012.

The temporary ISIN code is expected to be merged with the existing ISIN code for the Pre-Restructuring Shares DK 0060082915 in VP Securities on December 13, 2012.

Expected timetable of principal events:

Publication of Listing Prospectus	December 7, 2012
Admission of the Listing Shares for trading and official listing under the existing ISIN code	December 10, 2012
Merger of temporary ISIN code with the existing ISIN code in VP Securities	December 13, 2012

Restrictions applicable to the Listing

General restrictions
The Listing consists of an admission to trading and official listing of the Listing Shares on NASDAQ OMX Copenhagen. The Listing does not comprise an offer or placement of Shares in any jurisdiction.

In certain jurisdictions, the distribution of this Listing Prospectus and the marketing of Shares may be restricted by law and/or be subject to other restrictions, and the Listing Prospectus may not be used for, or in connection with, any offer or solicitation by any person in any jurisdiction in which such offer or solicitation is not authorised, or to any persons to whom it is unlawful to make such offer or solicitation. This Listing Prospectus does not constitute an offer or an invitation to purchase or subscribe for Listing Shares in any jurisdiction. The Company, the Global Coordinator & Joint Lead Manager and the Joint Lead Managers require persons into whose possession the Listing Prospectus may come to inform themselves of and observe any such restrictions, including any tax and currency restrictions that may be relevant in connection with the Listing. All investors should examine through their own advisers the tax consequences of an investment in any Shares. Neither the Company, the Global Coordinator & Joint Lead Manager, nor the Joint Lead Managers accept any legal liability for any violation of such restrictions by any person, irrespective of whether such person is a shareholder or acquirer of Shares.

The Shares are subject to transfer and resale restrictions in certain jurisdictions. Any acquirer of Shares must comply with all applicable laws and regulations in force in any country or region in which it acquires or resells Shares or possesses or distributes this Listing Prospectus and must obtain any consent, approval or permission required, if applicable, prior to acquiring the Shares.

This Listing Prospectus may not be distributed or otherwise made available, and Shares may not be offered or sold, directly or indirectly, in the U.S., Canada, Australia or Japan. This Listing Prospectus may not be distributed or otherwise made available, and the Shares may not be offered or sold, directly or indirectly in any other jurisdiction outside Denmark, unless such distribution, offer, sale or exercise is permitted under applicable laws in the relevant jurisdiction.

The Shares have not been and the Company does not intend to register the Shares under the U.S. Securities Act or the securities laws of any state in the U.S. Accordingly, the Shares may not be

offered or sold in the U.S., except in transactions exempt from, or transactions not subject to, registration under the U.S. Securities Act. The Shares are being offered and sold solely to non-U.S. persons in transactions outside of the U.S. ("non-U.S. purchasers") in reliance on Regulation S. As used herein, the term "U.S." has the meaning given to it in Regulation S.

Restrictions on offers and sales in the U.S.
The Shares have not been and will not be registered under the U.S. Securities Act or any applicable state securities laws of the U.S. The issuance of the Shares was made in transactions exempt from the registration requirements of the U.S. Securities Act pursuant to Section 4(a)(2) of the U.S. Securities Act, Regulation S, or another available exemption. The Shares may not be offered, pledged, sold, resold, granted, delivered, allotted or otherwise transferred, as applicable, in the U.S., except in transactions that are exempt from or not subject to the registration requirements under the U.S. Securities Act and in compliance with any applicable state securities laws.

If a subscriber of Listing Shares decides to offer, resell, pledge or otherwise transfer any of the Listing Shares, such shares may be offered, resold, pledged or otherwise transferred only (a) to the Company, (b) in accordance with Rule 903 or 904 of Regulation S, (c) pursuant to another exemption from registration under the U.S. Securities Act (if available) and in compliance with any applicable securities laws of any state of the U.S., or (d) pursuant to an effective registration statement under the U.S. Securities Act.

No subscriber of Listing Shares may deposit its Listing Shares in exchange for ADSs under the Deposit Agreement between TORM A/S and Deutsche Bank Trust Company Americas dated February 27, 2007, as amended (the "Deposit Agreement"), during a six month period commencing on the date the Listing Shares were issued, i.e. November 5, 2012 (the "Restricted Period"). The Restricted Period is extended from six months to twelve months in the event that TORM A/S ceases to be a reporting company under Section 13(a) or 15(d) of the U.S. Securities Exchange Act of 1934, as amended, (the "Exchange Act"). In addition, if during the twelve month period commencing on the date the Shares are issued TORM A/S fails to timely file with the U.S. Securities and Exchange Commission any periodic report pursuant to Sections 13(a) or 15(d) of the Exchange Act, the Restricted Period shall be extended until the earlier of twelve months and the date on which such delinquent periodic report is filed. However, in addition and subject to the deposit restrictions during the Restricted Period set forth in the preceding sentences, to the extent that such subscriber of Listing Shares is deemed to be an "affiliate" of the Company (as such term is defined under Rule 144 ("Rule 144") of the U.S. Securities Act), it will not deposit its shares pursuant to the Deposit Agreement while it is deemed to be an affiliate of the Company and for a period of 90 days after it ceases to be an affiliate of the Company or unless such deposit is in connection with a sale of the Listing Shares in compliance with Rule 144 to the extent permitted by the Deposit Agreement, or pursuant to an effective registration statement under the U.S. Securities Act.

To the extent that the Listing Shares are transferred in any transaction other than (i) on a "designated offshore securities market" (as such term is defined in Regulation S) pursuant to Rule 903 or Rule 904 of Regulation S; (ii) in accordance with Rule 144; or (iii) pursuant to an effective registration statement under the U.S. Securities Act, the subscriber of the Listing Shares shall, and each subsequent holder is required to, notify any subsequent purchaser of the Listing Shares of the resale restrictions referred to above.

Because of these restrictions, each subscriber of Listing Shares and each subsequent holder of any such Listing Shares is advised to consult legal counsel prior to making any resale, pledge or transfer of the Listing Shares in the U.S. or to a U.S. person, including the deposit of the Listing Shares pursuant to the Deposit Agreement.

Notice regarding the European Economic Area
In relation to each member state of the European Economic Area that has implemented the Prospectus Directive (not including Denmark) (each a "Relevant Member State"), an offer to the public of any Shares may not be made in any Relevant Member State prior to the publication of a prospectus concerning the Shares which has been approved by the competent authority in such Relevant Member State or, where relevant, approved in another Relevant Member State and notified to the competent

authority in such Relevant Member State, all pursuant to the Prospectus Directive, except that, an offering Shares may be made to the public at any time in such Relevant Member State:

a) to any legal entity that is a qualified investor as defined in the Prospectus Directive;

b) to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive); or

c) of securities addressed to investors who acquire securities for a total consideration of at least EUR 100,000 per investor, for each separate offer;

d) of securities whose denomination per unit amounts to at least EUR 100,000

e) with a total consideration of less than EUR 100 000

provided that no such offer of Shares shall result in a requirement for the publication by the Company or the Global Coordinator & Joint Lead Manager and Joint Lead Managers of a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of the above, the expression an "offer of Shares to the public" in any Relevant Member State means the communication in any form and by any means of sufficient information to enable an investor to decide to acquire Shares, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State. The expression "Prospectus Directive" means Directive 2003/71/EC (and amendments thereto, including the Amending Directive 2010/73/EU), and includes all relevant implementation measures in the Relevant Member State.

Notice regarding Canada, Australia, Japan and other jurisdictions outside Denmark
The Shares have not been approved, disapproved or recommended by any foreign regulatory authorities, nor have any of such authorities passed upon or endorsed the merits of the Listing or the accuracy or adequacy of this Listing Prospectus.

The Shares have not been and will not be registered under the Financial Instruments and Exchange Law of Japan (Law No. 25 of 1948, as amended, the "FIEL"), and disclosure under the FIEL has not been and will not be made with respect to the Shares. The Shares may not be offered or sold, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term shall mean any person resident in Japan, including any corporation or other entity organized under the laws of Japan), or to others for reoffering or resale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan, except (i) pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEL, and (ii) in compliance with any other applicable laws, regulations and governmental guidelines of Japan. Pursuant to the exemption under the FIEL, the Shares may be offered and sold to no more than 49 residents of Japan.

5.2 Subscription ratio and allocation

Not applicable since there is no offering of securities for sale or subscription. The purpose of this Listing Prospectus is solely to have the Listing Shares admitted to trading and official listing on NASDAQ OMX Copenhagen.

5.3 Proceeds from the Listing

Not applicable since there is no offering of securities for sale or subscription. The purpose of this Listing Prospectus is solely to have the Listing Shares admitted to trading and official listing on NASDAQ OMX Copenhagen.

5.4 Plan of distribution and advance commitments

Not applicable since there is no offering of securities for sale or subscription. The purpose of this Listing Prospectus is solely to have the Listing Shares admitted to trading and official listing on NASDAQ OMX Copenhagen.

6. Admission to trading and official listing

6.1 Place of Listing

The Listing Shares have been approved for and will be admitted to trading and official listing on NASDAQ OMX Copenhagen. The Listing Shares are expected to be admitted for trading and official listing on NASDAQ OMX Copenhagen on December 10, 2012 under the existing ISIN code DK0060082915.

6.2 Market making agreement

The Company has not entered into any market making agreement.

6.3 Stabilisation and short positions

No stabilisation measures will be taken in connection with the Listing.

7. Selling shareholders and lock-up agreements

7.1 Shareholders that have indicated that they expect to sell their Shares

The Company has not received any indications from shareholders that they intend to sell their Shares. There is no offering of Shares for sale or subscription since the purpose of this Listing Prospectus solely is to have the Listing Shares admitted to trading and official listing on NASDAQ OMX Copenhagen.

7.2 Lock-up agreements with the Company

The Company is not party to any Lock-up agreements in relation to the Listing Shares or the Pre-Restructuring Shares.

The Company has under the Financing Agreements agreed with the Secured Lenders not to issue new shares. The issuing of new shares can only take place in agreement with the Secured Lenders.

8. Costs of the Listing

The estimated expenses payable by the Company in connection with the Listing are DKK 15.8 million ex. VAT. Expenses include fees to the Global Coordinator & Joint Lead Manager and the Joint Lead Managers, fees to auditors, legal and other financial advisors as well as other expenses connected to the Listing.

9. Dilution

The Listing of the Listing Shares on NASDAQ OMX Copenhagen will not result in any dilution.

10. Additional information

10.1 Advisers

Auditor to the Company:
Deloitte Statsautoriseret Revisionspartnerselskab, Weidekampsgade 6, 2300 København S

Danish legal counsel to the Company:
Gorrissen Federspiel, H.C. Andersen Boulevard 12, 1553 København V

Global Coordinator & Joint Lead Manager:
Danske Bank, Holmens Kanal 2-12, 1092 København K

Joint Lead Managers:
BNP PARIBAS, 16 Boulevard des Italiens, 75009 Paris, Frankrig
Nordea Markets – Investment Banking, Strandgade 3, 0900 København C
SEB Enskilda, Bernstorffsgade 50, 1577 København V

Danish legal counsel to the Global Coordinator & Joint Lead Manager and the Joint Lead Managers:
Accura Advokatpartnerselskab, Tuborg Boulevard 1, 2900 Hellerup

10.2 Availability of the Listing Prospectus

This Listing Prospectus may, with certain exceptions, including the prohibition on access by persons located in the U.S. and certain other jurisdictions, be downloaded from the Company's website: www.torm.com. Information contained on the website does not constitute part of the prospectus.

In certain jurisdictions, the distribution of this Listing Prospectus and the marketing of the Shares may be restricted by law. This Listing Prospectus does not constitute an offer or an invitation to purchase or subscribe for Shares in any jurisdiction. Persons into whose possession this Listing Prospectus comes are required to inform themselves about and to observe any such restrictions.

III. Part F – Financial information

TABLE OF CONTENTS

III. Part F – Financial information 205

1. Introduction to financial information 206
2. Information incorporated by reference 207
3. Reviewed consolidated financial information for the nine month periods ended September 30, 2012 and September 30, 2011 209

3.1 Statement by the Board of Directors and Executive Management 209

3.2 The independent auditor's review report on the interim consolidated financial statements for the nine month periods ended September 30, 2012 and September 30, 2011 210

3.3 Consolidated income statement 212

3.4 Consolidated statement of comprehensive income 213

3.5 Consolidated balance sheet – assets 214

3.6 Consolidated balance sheet – Equity and liabilities 215

3.7 Consolidated statement of changes in equity 216

3.8 Consolidated statement of cash flows 217

3.9 Notes to the consolidated financial statements for the nine month periods ended September 30, 2012 and September 30, 2011 218

1. Introduction to financial information

The Company has published an interim report for the first nine months of 2012. The interim report contains the management's review and interim consolidated financial statements for the period January 1, 2012 to September 30, 2012 with comparative figures for the period January 1, 2011 to September 30, 2011. The interim report is presented in accordance with IAS 34 as adopted by the EU and additional Danish disclosure requirements for interim reports. The accounting policies in the interim consolidated financial statement are unchanged from the policies applied in the annual report for 2011.

The interim consolidated financial statements for the period January 1, 2012 to September 30, 2012 with comparative figures for the period January 1, 2011 to September 30, 2011 reproduced in this Listing Prospectus are extracted from the interim consolidated financial statements contained in the Company's interim report for the first nine months of 2012. For purposes of this Listing Prospectus, the Company's auditors appointed by the Company's shareholders on the annual general meeting have reviewed the interim consolidated financial statements for the first nine months of 2012 with comparative figures for the same period of the financial year 2011.

2. Information incorporated by reference

Pursuant to item 20.1 of Appendix I to Commission Regulation (EC) No. 809/2004 of April 29, 2004 implementing Directive 2003/71/EC of the European Parliament and of the Council as regards information contained in prospectuses as well as the format, incorporation by reference and publication of such prospectuses and dissemination of advertisements (the Prospectus Regulation), the Prospectus shall contain audited historical financial information covering the latest three financial years. Pursuant to article 28 of the Prospectus Regulation and section 19(2) of the Danish Prospectus Order, the following information will be incorporated in the Prospectus by reference to the Company's website: http://www.torm.dk. Other than the stated information, the contents of the website do not form part of the Listing Prospectus.

Direct and indirect references in the reports to other documents or websites are not incorporated in the Listing Prospectus. The reports speak only as of the date of their respective publications and have not been updated and in some cases they have been superseded by the information in this Listing Prospectus.

Potential investors should assume that the information in this Listing Prospectus as well as the information the Company incorporates by reference, is accurate as of the dates of the respective documents only. The Group's business, financial position, cash flows and results of operations may have changed since those dates.

Potential investors are encouraged to read the information incorporated in the Listing Prospectus by reference in conjunction with the cautionary statements "Forward-looking statements" and "Risk factors".

The below table of cross references refers to information in the Company's annual reports for the financial years ended December 31, 2011, 2010 and 2009 as released through NASDAQ OMX Copenhagen, which are available at the Company's website: www.torm.dk. The annual reports comprise audited consolidated and parent company financial statements for the financial years ended December 31, 2011, 2010 and 2009. No other information in the Prospectus is audited.

The annual reports for the financial years 2009 and 2010 included an unqualified audit opinion. The annual report for the financial year 2011 included an unqualified audit opinion with emphasis of matter.

Table 46 – Table of Cross References

Statement by Management for 2011	Annual report 2011, p. 86
Independent auditor's report for 2011	Annual report 2011, p. 87-88
Consolidated income statement for 2011	Annual report 2011, p. 44
Consolidated statement of comprehensive income for 2011	Annual report 2011, p. 45
Consolidated balance sheet at December 31, 2011	Annual report 2011, p. 46-47
Consolidated statement of changes in equity for 2011	Annual report 2011, p. 48
Consolidated cash flow statement for 2011	Annual report 2011, p. 49
Notes to the consolidated financial statements for 2011	Annual report 2011, p. 50-85
Statement by Management for 2010	Annual report 2010, p. 101
Independent auditor's report for 2010	Annual report 2010, p. 102
Consolidated income statement for 2010	Annual report 2010, p. 52
Consolidated statement of comprehensive income for 2010	Annual report 2010, p. 53
Consolidated balance sheet at December 31, 2010	Annual report 2010, p. 54-55
Consolidated statement of changes in equity for 2010	Annual report 2010, p. 56
Consolidated cash flow statement for 2010	Annual report 2010, p. 57
Notes to the consolidated financial statements for 2010	Annual report 2010, p. 58-100
Statement by Management for 2009	Annual report 2009, p. 101
Independent auditor's report for 2009	Annual report 2009, p. 102
Consolidated income statement for 2009	Annual report 2009, p. 55
Consolidated statement of comprehensive income for 2009	Annual report 2009, p. 56
Consolidated balance sheet at December 31, 2009	Annual report 2009, p. 57-58
Consolidated statement of changes in equity for 2009	Annual report 2009, p. 59
Consolidated cash flow statement for 2009	Annual report 2009, p. 60
Notes to the consolidated financial statements for 2009	Annual report 2009, p. 61-97

3. Reviewed consolidated financial information for the nine month periods ended September 30, 2012 and September 30, 2011

3.1 Statement by the Board of Directors and Executive Management

The Board of Directors and the Executive Management have discussed and adopted the unaudited interim consolidated financial statements of TORM A/S for the nine month periods ended September 30, 2012 and September 30, 2011 on pages F209 – F225. In this respect, we refer to note 1 and note 6 in these interim consolidated financial statements.

The interim consolidated financial statements comprise the statement by the Management, consolidated income statement, consolidated statement of comprehensive income, consolidated balance sheet, consolidated statement of changes in equity, consolidated statements of cash flows and notes for the Group. The interim consolidated financial statements are presented in accordance with IAS 34 as adopted by the EU.

It is our opinion that the unaudited interim consolidated financial statements give a true and fair view of the Group's consolidated financial position at September 30, 2012 and September 30, 2011 as well as its consolidated financial performance and its consolidated cash flows for the nine month periods ended September 30, 2012 and September 30, 2011.

Hellerup, December 7, 2012

Board of Directors

Niels Erik Nielsen *Chairman*	Christian Frigast *Deputy Chairman*	Jesper Jarlbæk
Kári Millum Garðarnar *Employee representative*	Rasmus J.S. Hoffmann *Employee representative*	

Executive Management

Jacob Meldgaard *CEO*	Roland M. Andersen *CFO*

3.2 The independent auditor's review report on the interim consolidated financial statements for the nine month periods ended September 30, 2012 and September 30, 2011

To the readers of the Listing Prospectus

Introduction
We have reviewed the interim consolidated financial statements of TORM A/S for the nine month periods ended September 30, 2012 and September 30, 2011, which comprise the statement by management, consolidated income statements, consolidated statements of comprehensive income, consolidated balance sheets, consolidated statements of changes in equity, consolidated statements of cash flows and notes to the consolidated financial statements for the Group as shown on pages F212 – F225.

Management is responsible for the preparation and fair presentation of the interim consolidated financial statements in accordance with IAS 34 as adopted by EU. Our responsibility is to express a conclusion on these interim consolidated financial statements based on our review.

Scope of review
We conducted our review in accordance with ISRE 2410 DK, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity, and additional requirements under Danish audit regulation". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. We have not performed an audit and, accordingly, we do not express an audit opinion on the interim consolidated financial statements.

Conclusion
Based on our review, nothing has come to our attention that causes us to believe that the interim consolidated financial statements, shown on pages F212 – F225, does not give a true and fair view of the Group's financial position at September 30, 2012 and September 30, 2011 and of its financial performance and its cash flows for the nine month periods ended September 30, 2012 and September 30, 2011 in accordance with IAS 34 as adopted by the EU.

Emphasis of matter

Emphasis of matter regarding the interim consolidated financial statements - Going concern
In forming our unqualified conclusion on the interim consolidated financial statements, we have considered the adequacy of the disclosure made in note 6 to the interim consolidated financial statements concerning TORMs ability to continue as a going concern at least until September 30, 2013.

Note 6 to the interim consolidated financial statements discloses that if the difficult conditions in the tanker and bulk markets during 2012 continue to prevail for a longer period, the Company anticipates to be in breach with the new financial covenants during the course of 2013. However, in market conditions where the most current pick-up in product tanker freight rates will prove sustainable over the coming years, the Company will be in compliance with its financial covenants and will be able to service interest and installment obligations on the bank debt as they become due

In the event a breach of covenants becomes apparent, renegotiations of the covenants with the lenders will be initiated. Such renegotiations may be lengthy and there can be no certainty that they will be successful and furthermore the development in freight rates is beyond the control of Management. As such Management describes a potential going concern uncertainty in note 6 to the

interim consolidated financial statements to which we refer.

Emphasis of matter regarding the interim consolidated financial statements - Valuation of vessels

In forming our unqualified conclusion on the interim consolidated financial statements, we have considered the adequacy of the disclosure in note 1 to the interim consolidated financial statements concerning TORMs impairment testing of the Tanker Division, which gives an account of the sensitivities associated with the key assumptions around charter rates, operating expenses and weighted average cost of capital used in the impairment tests.

Furthermore, the interim consolidated financial statements as of September 30, 2012 state that the market value of TORMs fleet as of September 30, 2012 is USD 1,316 million, and that in a forced sale the recoverable amount of the fleet will be significantly lower than under the going concern assumption applied when preparing the interim consolidated financial statements.

Copenhagen, December 7, 2012

Deloitte
Statsautoriseret Revisionspartnerselskab

Anders Dons	Henrik Kjelgaard
State Authorised	State Authorised
Public Accountant	Public Accountant

3.3 Consolidated income statement

Million USD	January 1 - September 30 2012	January 1 - September 30 2011	2011
Revenue	838.9	937.9	1,305.2
Port expenses, bunkers and commissions	-488.0	-472.5	-675.0
Freight and bunkers derivatives	13.5	9.0	14.1
Time charter equivalent earnings	364.4	474.4	644.3
Charter hire	-209.4	-279.7	-398.3
Operating expenses	-124.0	-125.5	-165.0
Gross profit (Net earnings from shipping activities)	31.0	69.2	81.0
Profit from sale of vessels	-15.9	1.4	-52.6
Administrative expenses	-48.0	-51.6	-71.2
Other operating income	1.3	2.9	3.2
Share of results of jointly controlled entities	-9.6	-5.3	-4.2
EBITDA	-41.2	16.6	-43.8
Impairment losses on jointly controlled entities	-41.5	0.0	-13.0
Impairment losses on tangible and intangible assets	0.0	0.0	-187.0
Amortizations and depreciation	-103.3	-109.2	-144.8
Operating profit (EBIT)	-186.0	-92.6	-388.6
Financial income	8.1	1.5	9.9
Financial expenses	-110.3	-47.6	-72.7
Profit/(loss) before tax	-288.2	-138.7	-451.4
Tax	-1.1	-1.3	-1.6
Net profit/(loss) for the period	-289.3	-140.0	-453.0
Earnings/(loss) per share, EPS			
Earnings/(loss) per share, EPS (USD)	-4.2	-2.0	-6.5
Earnings/(loss) per share, EPS (DKK)*	-24.1	-10.7	-34.9
Diluted earnings/(loss) per share, (USD)	-4.2	-2.0	-6.5
Diluted earnings/(loss) per share, (DKK)*	-24.1	-10.7	-34.9

*) The key figures have been translated from USD to DKK using the average USD/DKK exchange change rate for the period in question.

3.4 Consolidated statement of comprehensive income

Million USD	January 1 - September 30 2012	January 1 - September 30 2011	2011
Net profit/(loss) for the period	-289.3	-140.0	-453.0
Other comprehensive income:			
Exchange rate adjustment arising on translation of entities using a measurement currency different from USD	0.4	-0.3	-0.4
Fair value adjustment on hedging instruments	-11.6	-28.1	-29.7
Value adjustment on hedging instruments transferred to income statement	14.1	0.8	1.7
Fair value adjustment on available for sale investments	-0.1	9.2	8.7
Other comprehensive income after tax	2.8	-18.4	-19.7
Total comprehensive income	**-286.5**	-158.4	-472.7

3.5 Consolidated balance sheet – assets

Million USD	**30 September 2012**	30 September 2011	31 December 2011
NON-CURRENT ASSETS			
Intangible assets			
Goodwill	0.0	89.2	0.0
Other intangible assets	1.8	1.9	1.9
Total intangible assets	1.8	91.1	1.9
Tangible fixed assets			
Land and buildings	1.6	2.0	2.0
Vessels and capitalised dry-docking	2,233.6	2,453.0	2,258.6
Prepayments on vessels	0.0	138.1	69.2
Other plant and operating equipment	6.9	8.3	8.1
Total tangible fixed assets	2,242.1	2,601.4	2,337.9
Financial assets			
Investment in jointly controlled entities	0.9	66.4	50.3
Loans to jointly controlled entities	0.0	8.7	8.2
Other investments	12.1	12.2	11.6
Other financial assets	0.0	0.0	0.0
Total financial assets	13.0	87.3	70.1
TOTAL NON-CURRENT ASSETS	**2,256.9**	2,779.8	2,409.9
CURRENT ASSETS			
Bunkers	66.2	62.2	84.6
Freight receivables	122.9	132.8	140.2
Other receivables	27.3	17.6	26.0
Other financial assets	0.0	0.9	0.0
Prepayments	21.6	29.8	11.8
Cash and cash equivalents	12.5	95.8	85.5
	250.5	339.1	348.1
Non-current assets held for sale	0.0	0.0	21.2
TOTAL CURRENT ASSETS	**250.5**	339.1	369.3
TOTAL ASSETS	**2,507.4**	3,118.9	2,779.2

3.6 Consolidated balance sheet – Equity and liabilities

Million USD	**30 September 2012**	30 September 2011	31 December 2011
EQUITY			
Common shares	61.1	61.1	61.1
Treasury shares	-17.3	-17.3	-17.3
Revaluation reserves	6.1	6.7	6.2
Retained profit	331.6	932.7	620.0
Proposed dividends	0.0	0.0	0.0
Hedging reserves	-27.4	-29.1	-29.8
Translation reserves	4.2	3.8	3.6
TOTAL EQUITY	358.3	957.9	643.8
LIABILITIES			
Non-current liabilities			
Deferred tax liability	53.3	53.9	53.7
Mortgage debt and bank loans	0.0	1,664.5	0.0
Finance lease liabilities	27.4	74.4	29.4
Deferred income	5.5	0.0	6.4
TOTAL NON-CURRENT LIABILITIES	86.2	1,792.8	89.5
Current liabilities			
Mortgage debt and bank loans	1,793.7	189.6	1,794.6
Finance lease liabilities	49.6	3.4	48.3
Trade payables	111.1	74.8	115.6
Current tax liabilities	1.0	1.1	1.2
Other liabilities	106.3	90.9	85.0
Acquired liabilities related to options on vessels	0.0	0.5	0.0
Deferred income	1.2	7.9	1.2
TOTAL CURRENT LIABILITIES	2,062.9	368.2	2,045.9
TOTAL LIABILITIES	**2,149.1**	2,161.0	2,135.4
TOTAL EQUITY AND LIABILITIES	**2,507.4**	3,118.9	2,779.2

3.7 Consolidated statement of changes in equity

Changes in equity January 1 – September 30, 2012:

Million USD	Common shares	Treasury shares	Retained profit	Proposed dividends	Revaluation reserves	Hedging reserves	Translation reserves	**Total**
Equity at 1 January 2012	61.1	-17.3	620.0	0.0	6.2	-29.8	3.6	**643.8**
Comprehensive income for the year:								
Net profit/(loss) for the year	-	-	-289.3	-	-	-	-	-289.3
Other comprehensive income for the year	-	-	-	-	-0.1	2.5	0.4	2.8
Total comprehensive income for the year	**-**	**-**	**-289.3**	**-**	**-0.1**	**2.5**	**0.4**	**-286.5**
Disposal treasury shares, cost	-	-	-	-	-	-	-	0.0
Loss from disposal of treasury shares	-	-	-	-	-	-	-	0.0
Share-based compensation	-	-	1.0	-	-	-	-	1.0
Total changes in equity Q1-Q3 2012	0.0	0.0	-288.3	0.0	-0.1	2.5	0.4	-285.5
Equity at 30 September 2012	61.1	-17.3	331.7	0.0	6.1	-27.3	4.0	**358.3**

Changes in equity January 1 – September 30, 2011:

Million USD	Common shares	Treasury shares	Retained profit	Proposed dividends	Revaluation reserves	Hedging reserves	Translation reserves	**Total**
Equity at 1 January 2011	61.1	-17.9	1,072.3	0.0	-2.5	-1.8	4.1	**1,115.3**
Comprehensive income for the year:								
Net profit/(loss) for the year	-	-	-140.0	-	-	-	-	-140.0
Other comprehensive income for the year	-	-	-	-	9.2	-27.3	-0.3	-18.4
Total comprehensive income for the year	**-**	**-**	**-140.0**	**-**	**9.2**	**-27.3**	**-0.3**	**-158.4**
Disposal treasury shares, cost	-	0.6	-	-	-	-	-	0.6
Loss from disposal of treasury shares	-	-	-0.6	-	-	-	-	-0.6
Share-based compensation	-	-	1.0	-	-	-	-	1.0
Total changes in equity Q1-Q3 2011	0.0	0.6	-139.6	0.0	9.2	-27.3	-0.3	-157.4
Equity at 30 September 2011	61.1	-17.3	932.7	0.0	6.7	-29.1	3.8	**957.9**

3.8 Consolidated statement of cash flows

Million USD	January 1 - September 30 2012	January 1 - September 30 2011	2011
Cash flow from operating activities			
Operating profit	-186.0	-92.6	-388.6
Adjustments:			
Reversal of profit/(loss) from sale of vessels	15.9	-1.4	52.6
Reversal of amortizations and depreciation	103.3	109.2	144.8
Reversal of impairment of jointly controlled entities	41.5	0.0	13.0
Reversal of impairment of tangible and intangible assets	0.0	0.0	187.0
Reversal of share of results of jointly controlled entities	9.6	5.3	4.2
Reversal of other non-cash movements	-2.3	-6.3	-6.8
Dividends received	0.4	0.0	0.0
Dividends received from jointly controlled entities	0.0	1.2	1.4
Interest received and exchange rate gains	0.1	5.2	5.0
Interest paid and exchange rate losses	-21.7	-47.5	-67.0
Advisor fees related to financing and restructuring plan	-55.4	0.0	0.0
Income taxes paid/repaid	-0.7	-2.3	-2.7
Change in bunkers, accounts receivables and payables	24.8	-32.7	-17.7
Net cash flow from operating activities	-70.5	-61.9	-74.8
Cash flow from investing activities			
Investment in tangible fixed assets	-56.5	-106.8	-118.5
Investment in equity interests and securities	0.0	-0.1	0.0
Loans to jointly controlled entities	8.2	1.6	2.1
Sale of equity interests and securities	1.9	0.0	0.0
Sale of non-current assets	49.6	209.1	284.5
Net cash flow from investing activities	3.2	103.8	168.1
Cash flow from financing activities			
Borrowing, mortgage debt	22.5	87.0	87.0
Borrowing, finance lease liabilities	0.0	46.8	46.8
Repayment/redemption, mortgage debt	-26.4	-194.7	-254.1
Repayment/redemption, finance lease liabilities	-1.8	-5.2	-7.5
Net cash flow from financing activities	-5.7	-66.1	-127.8
Net cash flow from operating, investing and financing activities	-73.0	-24.2	-34.5
Cash and cash equivalents, beginning balance	85.5	120.0	120.0
Cash and cash equivalents, ending balance	12.5	95.8	85.5

3.9 Notes to the consolidated financial statements for the nine month periods ended September 30, 2012 and September 30, 2011

Note 1 - Impairment test

As at September 30, 2012, Management performed a review of the recoverable amount of the assets by assessing the recoverable amount for the significant assets within the Tanker Division, the Bulk Division and the investment in 50% of FR8.

Based on the review, Management concluded that:

- Assets within the Tanker Division were not further impaired as of September 30, 2012 as the value in use exceeds the carrying amount
- Assets within the Bulk Division were not impaired as the fair value less costs to sell exceeded the carrying amount
- To maintain the impairment of the investment in FR8 of USD42 million recognized in Q2 2012 in addition to the impairment losses recognized in previous years

Tanker Division
The methodology used for calculating the value in use is unchanged compared to the Annual Report for 2011 and accordingly the freight rate estimates in the period 2012 to 2015 are based on the Company's business plans, which in 2014 and 2015 assume a gradual increase towards the 10-year historic average spot freight rate. The freight rates from 2016 are based on the 10-year historic average spot freight rates from Clarkson’s adjusted by the inflation rate.

The WACC of 8.0% (30 September 2011: 8.2%) is unchanged compared to December 31, 2011.

The 10-year historic average spot freight rates as of September 30, 2012 are as follows:

- LR2 USD/day 26,709 (30 September 2011: USD/day 27,811)
- LR1 USD/day 22,493 (30 September 2011: USD/day 23,293)
- MR USD/day 19,892 (30 September 2011: USD/day 20,227)

Management believes that these major assumptions are reasonable.

The calculation of value in use is very sensitive to changes in the key assumptions which are considered to be related to the future development in freight rates, the WACC applied as discounting factor in the calculations and the development in operating expenses. The sensitivities have been assessed as follows, all other things being equal:

- A decrease in the Tanker freight rates of USD/day 500 would result in a further impairment of USD 135 million for the Tanker Division.
- An increase of the WACC of 1.0% would result in a further impairment of USD 181 million for the Tanker Division.
- An increase of the operating expenses of 5.0% would result in a further impairment of USD 90 million for the Tanker Division

In case the market conditions do not improve in order to sustain the current 10-year historic average spot freight rates, the Company may have to make further impairments of the assets.

It should be emphasized that in a forced sale the recoverable amount of the vessels would be significantly lower than the carrying amount of the vessels under a going concern assumption.

Based on broker valuations, TORM’s fleet excluding financial lease vessels had a market value of USD 1,316 million as of 30 September 2012.

Note 2 - Vessels and capitalised dry-docking

USD million	**30 September 2012**	30 September 2011	31 December 2011
Cost:			
Balance at 1 January	2,999.3	3,113.9	3,113.9
Additions	13.4	10.7	20.7
Disposals	-49.6	-249.0	-334.6
Transferred to/from other items	102.9	199.3	199.3
Transferred to non-current assets held for sale	0.0	0.0	0.0
Balance	3,066.0	3,074.9	2,999.3
Depreciation and impairments:			
Balance at 1 January	740.7	553.8	553.8
Disposals	-8.7	-54.3	-67.8
Depreciation for the year	100.4	106.1	140.6
Impairment loss	0.0	0.0	97.8
Transferred to/from other items	0.0	16.3	16.3
Balance	832.4	621.9	740.7
Carrying amount	2,233.6	2,453.0	2,258.6

Note 3 - Prepayments on vessels

USD million	**30 September 2012**	30 September 2011	31 December 2011
Cost:			
Balance at 1 January	69.2	243.3	243.3
Additions	41.7	94.1	94.8
Disposals	-8.0	0.0	-7.8
Transferred to/from other items	-102.9	-199.3	-199.3
Transferred to non-current assets held for sale	0.0	0.0	-61.8
Balance	0.0	138.1	69.2
Depreciation and impairments:			
Balance at 1 January	0.0	16.3	16.3
Disposals	0.0	0.0	0.0
Depreciation for the year	0.0	0.0	0.0
Transferred to/from other items	0.0	-16.3	-16.3
Balance	0.0	0.0	0.0
Carrying amount	0.0	138.1	69.2

Note 4 - Mortgage debt and bank loans

Million USD	**30 September 2012**	30 September 2011	31 December 2011
Mortgage debt and bank loans			
To be repaid as follows:			
Falling due within one year	1,793.7	189.6	1,794.6
Falling due between one and two years	0.0	281.8	0.0
Falling due between two and three years	0.0	154.1	0.0
Falling due between three and four years	0.0	737.3	0.0
Falling due between four and five years	0.0	111.2	0.0
Falling due after five years	0.0	380.1	0.0
Carrying amount	1,793.7	1,854.1	1,794.6

As at 30 September 2012, TORM's equity ratio of 14.3% and cash at bank of USD 12.5 million resulted in a breach of its financial covenants under the existing loan agreements. As at 30 September 2012, TORM therefore does not have an unconditional right to defer payments on the loans for more than 12 months and the mortgage debt and bank loans are in principle payable on demand. Accordingly the mortgage debt and bank loans are classified as current liabilities in the balance sheet.

Please refer to "note 6 - Post balance sheet date events" for an outline of the restructuring of TORM.

Note 5 – Segment information

Million USD	January 1 - September 30, 2012				January 1 - September 30, 2011			
	Tanker Division	Bulk Division	Not allocated	Total	Tanker Division	Bulk Division	Not allocated	**Total**
Revenue	698.0	140.9	0.0	838.9	721.6	216.3	0.0	937.9
Port expenses, bunkers and commissions	-404.6	-83.4	0.0	-488.0	-377.0	-95.5	0.0	-472.5
Freight and bunkers derivatives	-0.1	13.6	0.0	13.5	4.1	4.9	0.0	9.0
Time charter equivalent earnings	293.3	71.1	0.0	**364.4**	348.7	125.7	0.0	**474.4**
Charter hire	-134.3	-75.1	0.0	-209.4	-148.1	-131.6	0.0	-279.7
Operating expenses	-121.6	-2.4	0.0	-124.0	-123.0	-2.5	0.0	-125.5
Gross profit (Net earnings from shipping activities)	37.4	-6.4	0.0	**31.0**	77.6	-8.4	0.0	**69.2**
Profit from sale of vessels	-15.9	0.0	0.0	-15.9	1.8	-0.4	0.0	1.4
Administrative expenses	-42.7	-5.3	0.0	-48.0	-42.2	-9.4	0.0	-51.6
Other operating income	1.2	0.1	0.0	1.3	2.8	0.1	0.0	2.9
Share of results of jointly controlled entities	-5.1	0.0	-4.5	-9.6	2.1	0.0	-7.4	-5.3
EBITDA	-25.1	-11.6	-4.5	**-41.2**	42.1	-18.1	-7.4	**16.6**
Impairment losses on jointly controlled entities	0.0	0.0	-41.5	-41.5	0.0	0.0	0.0	0.0
Amortizations and depreciation	-101.2	-2.1	0.0	-103.3	-106.8	-2.4	0.0	-109.2
Operating profit (EBIT)	-126.3	-13.7	-46.0	**-186.0**	-64.7	-20.5	-7.4	**-92.6**
Financial income	-	-	8.1	8.1	-	-	1.5	1.5
Financial expenses	-	-	-110.3	-110.3	-	-	-47.6	-47.6
Profit/(loss) before tax	-	-	-148.2	**-288.2**	-	-	-53.5	**-138.7**
Tax	-	-	-1.1	-1.1	-	-	-1.3	-1.3
Net profit/(loss) for the period	**-**	**-**	**-149.3**	**-289.3**	**-**	**-**	-54.8	**-140.0**
BALANCE SHEET								
Total non-current assets	2,207.3	37.4	12.2	2,256.9	2,599.7	102.5	77.6	2,779.8

The activity in TORM's 50% ownership of FR8 Holding Pte. Ltd. is included in "Not-allocated".

During the year, there have been no transactions between the Tanker Division and the Bulk Division, and therefore all revenue derives from external customers.

Note 6 – Post balance sheet date events

As stated in announcement no. 31 dated October 2, 2012, TORM has signed a Restructuring Agreement with its banks and time charter partners that secures the Company deferral of bank debt, new liquidity and substantial savings from the restructured time charter book. The highlights of the restructuring include:

- Current shareholders retain 10.0% ownership, compared to 7.5% communicated earlier
- USD 100 million in new working capital facility available until September 30, 2014
- Maturities for the existing bank debt of USD 1.8 billion are extended until December 31, 2016 with new uniform covenants and terms and divided into three tranches
- Deferral of installments on the entire bank debt until September 30, 2014 and reduced repayments until December 31, 2016
- Interest on existing debt is only paid if TORM has sufficient liquidity until at least June 30, 2014 with potential extension to September 30, 2014
- Mark-to-market savings estimated at approximately USD 270 million from amended time charter agreements
- TORM expects to be cash flow positive even at the current rate levels
- As part of the restructuring, certain specific option rights have been agreed that may result in a sales process for up to 22 vessels and repayment of the related debt.

As stated in announcements no. 32 and 33 dated November 5, 2012, TORM has finalized the technical completion of the restructuring with its banks and time charter partners. In connection with the restructuring, the Board of Directors in TORM A/S completed the decrease of TORM's share capital decided at the Annual General Meeting held on April 23, 2012. The nominal amount per share was decreased from DKK 5.00 to DKK 0.01 by transfer of the reduction amount to a special reserve fund. Subsequently, the Board of Directors decided to exercise the authorization in article 2.14 of the Articles of Association and increase the share capital of TORM A/S by issuing 665.2 million new shares by conversion of debt of totally DKK 1,174,100,581 (approximately USD 200 million) to TORM's banks and time charter partners or their assignees. The new shares issued correspond to 90% of TORM's registered share capital and votes registered with the Danish Business Authority.

The Company's group of banks has through the implementation of the restructuring aligned key terms and conditions and financial covenants across all existing debt facilities, and all maturities on existing credit facilities have been adjusted to December 31, 2016. Interest on the existing debt will only be paid if the Company has sufficient liquidity, and otherwise the remainder will be rolled up until at least June 30, 2014 with potential extension until September 30, 2014. On average the interest margin is increased to approximately 240 basis points across the existing bank debt. The Company will pay interest on the new working capital facility until September 30, 2014.

The new financing agreements provide for a deferral of installment on the existing bank debt until September 30, 2014, in which period rescheduled principal amortizations will only fall due if the Company has sufficient liquidity. Provided that the Company generates sufficient cash, certain cash sweep mechanisms will apply. Annualized minimum amortizations of USD 100 million will commence with effect from September 30, 2014 until December 31, 2016. If vessels are sold, the related debt will fall due. New financial covenants apply uniformly across the bank debt facilities.

If the difficult conditions in the tanker and bulk markets during 2012 will continue to prevail for a longer period, the Company anticipates to be in breach with the new financial covenants during the course of 2013. However, in market conditions where the most current pick-up in product tanker freight rates will prove sustainable over the coming years, the Company will be in compliance with its financial covenants and be able to service interest and installment obligations on the bank debt as they become due.

With effect from the restructuring dated November 5, 2012, TORM's future time charter liabilities as per the original charter parties are reduced by approx. USD 590 million from USD 818 million to USD 228 million by aligning rates to current market levels or by redelivering time charter vessels.

As stated in announcement no. 34 dated November 5, 2012, TORM has received notification that the following shareholders now hold more than 5% of the share capital in the Company: HSH Nordbank AG, Danske Bank A/S, Nordea Bank Danmark A/S, Deutsche Bank AG, DBS Bank Ltd.

Note 7 – Accounting policies

The interim report for the period 1 January – 30 September 2012 is presented in accordance with IAS 34 "Interim Financial Reporting" as adopted by the EU and additional Danish disclosure requirements for interim reports of listed companies. The interim report has been prepared using the accounting policies as for the Annual Report for 2011. The accounting policies are described in more detail in the Annual Report for 2011. As from 1 January 2012, TORM has implemented the amendment to IFRS 7 regarding disclosures about transfer of financial assets. The amended standard has not affected the recognition and measurement in TORM's interim report for the first nine months of 2012. The interim report of the third quarter of 2012 is unaudited, in line with the normal practice.

A. APPENDIX

Articles of association of TORM A/S

Article 1

1.1. The Company's name is TORM A/S.

1.2. The Company also carries out business under the secondary names Aktieselskabet af 3. November 1986 (TORM A/S), BWT 3 ApS (TORM A/S) and Aktieselskabet Dampskibsselskabet TORM (TORM A/S).

1.3. The objects for which the Company has been established are to carry out business within shipping, chartering and other transport services, to make investments, including in real property, and to carry on such other business as the Board of Directors may deem incidental to the attainment of the said objects. The objects may be attained by ownership in whole or in part, including as shareholder, partner or otherwise of any other business which has one or more of the objects set out above.

Article 2

2.1. The Company's share capital is DKK 7,280,000.00 divided into shares of DKK 0.01 each or any multiple thereof.

2.2. The share capital has been fully paid up.

2.3. In the period until 1 April 2013, the Company's share capital may at the discretion of the Board of Directors be increased in one or more issues of new shares by up to DKK 182m. The increase may be made by cash contribution or as consideration for the acquisition of all or part of an existing business or specific assets, including shares.

2.4. By virtue of Article 2(3), the Board of Directors may offer the shares for subscription at market price without the existing shareholders having any preferential subscription rights.

2.5. The new shares, which shall be negotiable instruments, shall be issued to bearer.

2.6. The Board of Directors is authorised in the period until 30 April 2013, one or more times, without any pre-emptive subscription rights for the existing shareholders, to resolve to raise loans for a total amount of up to DKK 2,400,000,000 against the issuance of convertible debt instruments entitling the holder to subscribe for shares in the Company and to effect the associated capital

increases. The loans must be paid in cash to the Company. The Board of Directors will lay down the specific terms and conditions for the convertible debt instruments being issued under this authorisation. Conversion may not take place at a price, which is lower than the market price of the Company's shares at the time of the issuance of the convertible debt instruments.

As a result of this authorisation, the Board of Directors is furthermore authorised in the period until 30 April 2013 to increase the Company's share capital, without any pre-emptive subscription rights for the existing shareholders, by up to a total nominal amount of DKK 2,400,000,000 by conversion of convertible debt instruments issued pursuant to this Article 2.6. New shares issued pursuant to this authorisation shall be negotiable instruments and shall be issued to bearer, but shall be eligible for registration in the name of the holder in the Company's register of shareholders, the transferability of the new shares shall not be subject to any restrictions, the new shareholders shall not be under an obligation to have their shares redeemed and the shares are in all other respects to carry the same rights and privileges as the existing shares in the Company. The Board of Directors will determine any other terms and conditions.

2.7. The Board of Directors is authorised in the period until 30 April 2013, one or more times, with pre-emptive subscription rights for the existing shareholders, to resolve to raise loans for a total amount of up to DKK 1,500,000,000 against the issuance of convertible debt instruments entitling the holder to subscribe for shares in the Company and to effect the associated capital increases. The loans must be paid in cash to the Company. The Board of Directors will determine whether the new shares may be subscribed for at a rate discounted to the market price and any other terms and conditions.

As a result of this authorisation, the Board of Directors is furthermore authorised in the period until 30 April 2013 to increase the Company's share capital, with pre-emptive subscription rights for the existing shareholders, by up to a total nominal amount of DKK 1,500,000,000 by conversion of convertible debt instruments issued pursuant to this Article 2.7. New shares issued pursuant to this authorisation shall be negotiable instruments and shall be issued to bearer, but shall be eligible for registration in the name of the holder in the Company's register of shareholders, the transferability of the new shares shall not be subject to any restrictions, the new shareholders shall not be under an obligation to have their shares redeemed and the shares are in all other respects to carry the same rights and privileges as the existing shares in the Company. The Board of Directors will determine any other terms and conditions.

2.8. The Board of Directors is authorised in the period until 30 April 2013 with proportionate pre-emptive subscription rights for the existing shareholders, to resolve to increase the Company's share capital in one or more issues by up to a total nominal amount of DKK 1,500,000,000.

New shares issued pursuant to this authorisation shall be subscribed for in cash, shall be negotiable instruments, shall be issued to bearer, but shall be eligible for registration in the name of the holder in the Company's register of shareholders. The transferability of the new shares shall not be subject to any restrictions, the new shareholders shall not be under an obligation to have their shares redeemed and the new shares are in all other respects to carry the same rights and privileges as the shares existing in the Company at the date of the adoption of this authorisation. The Board of Directors will determine whether the new shares may be subscribed for at a rate discounted to the market price and any other terms and conditions.

2.9. The Board of Directors is authorised in the period until 30 April 2013 without proportionate pre-emptive subscription rights for the existing shareholders, to resolve to increase the Company's share capital in one or more issues by up to a total nominal amount of DKK 2,400,000,000 at market price as confirmed by an independent expert to constitute a fair market price (or terminology to a similar effect) which may be lower than the market price quoted on the existing shares on NASDAQ OMX Copenhagen A/S.

New shares issued pursuant to this authorisation shall be issued in a new class of shares which shares may not be admitted to trading and official listing, shall be subscribed for in cash, conversion of debt, or contribution of assets other than cash, shall be negotiable instruments, shall be issued to bearer, but shall be eligible for registration in the name of the holder in the Company's register of shareholders. The transferability of the new shares shall not be subject to any restrictions, the new shareholders shall not be under an obligation to have their shares redeemed and the new shares are in all other respects to carry the same rights and privileges as the shares existing in the Company at the date of the adoption of this authorisation.

2.10. The Board of Directors is authorised in the period until 30 April 2013 without proportionate pre-emptive subscription rights for the existing shareholders, to resolve to increase the Company's share capital in one or more issues by up to a total nominal amount of DKK 2,400,000,000 at market price as confirmed by an independent expert to constitute a fair market price (or terminology to a similar effect) which may be lower than the market price quoted on the shares existing on NASDAQ OMX Copenhagen A/S.

New shares issued pursuant to this authorisation shall be subscribed for in cash, conversion of debt, or contribution of assets other than cash, shall be negotiable instruments, shall be issued to bearer, but shall be eligible for registration in the name of the holder in the Company's register of shareholders. The transferability of the new shares shall not be subject to any restrictions, the new shareholders shall not be under an obligation to have their shares redeemed and the new shares are in all other respects to carry the same rights and privileges as the shares existing in the Company at the date of the adoption of this authorisation.

2.11. The Board of Directors is authorised in the period until 30 April 2013 without proportionate pre-emptive subscription rights for the existing shareholders, to resolve to increase the Company's share capital in one or more issues by up to a total nominal amount of DKK 1,500,000,000 at market price against payment in cash by establishment of a new class of preference shares with preferential rights to dividend, liquidation proceeds and increased voting rights and to amend the Articles of Association accordingly.

New preference shares issued under this authorisation shall have the following characteristics:

(i) The preference shares shall carry 10 votes per preference share. A preferential right to 10 per cent per annum, cumulative dividend, of the subscription amount of the preference shares shall be attached to the preference shares.

(ii) Upon a solvent liquidation of the Company the preference share capital shall be covered in priority by distribution of liquidation proceeds in proportion to the subscription amount of the preference shares including declared, but unpaid dividend, following which the ordinary share capital shall be covered in the same manner. The holders of preference and ordinary shares shall subsequently rank equally in proportion to their nominal holdings in respect of further distributions.

(iii) The preference shares shall be subscribed for in cash, shall be negotiable instruments, shall be issued to bearer, but shall be eligible for registration in the name of the holder in the Company's register of shareholders.

(iv) The existing shareholders shall not have pre-emptive rights to subscribe for the new preference shares.

(v) The transferability of the new preference shares shall not be subject to any restrictions, the new shareholders shall not be under an obligation to have their preference shares redeemed.

(vi) The new preference shares are in all other respects to carry the same rights and privileges as the existing ordinary shares of the Company.

2.12. The Board of Directors is authorised, for the period until 30 April 2013, to issue warrants – one or more times – to third parties and without pre-emptive subscription rights for the existing shareholders granting the holders right to subscribe for shares in the Company for a total of up to nominally DKK 2,400,000,000. The Board of Directors is authorised to effect the associated capital increases resulting from the exercise of warrants. The new shares shall be issued at a subscription price determined by the Board of Directors, which shall never be lower than the market price at the time of issuance of the warrants.

New shares issued pursuant to this authorisation shall be subscribed for in cash, shall be negotiable instruments, shall be issued to bearer, but shall be eligible for registration in the name of the holder in the Company's register of shareholders. The transferability of the new shares shall not be subject to any restrictions, the new shareholders shall not be under an

obligation to have their shares redeemed and the new shares are in all other respects to carry the same rights and privileges as the existing shares in the Company. The Board of Directors will determine any other terms and conditions.

2.13. The Board of Directors is authorised in the period until 30 April 2013 without proportionate pre-emptive subscription rights for the existing shareholders, to resolve to increase the Company's share capital in one or more issues by up to a total nominal amount of DKK 2,400,000,000 at a rate discounted to the market price.

New shares issued pursuant to this authorisation shall be issued in a new class of shares which shares may not be admitted to trading and official listing, shall be subscribed for in cash, conversion of debt, or contribution of assets other than cash, shall be negotiable instruments, shall be issued to bearer, but shall be eligible for registration in the name of the holder in the Company's register of shareholders. The transferability of the new shares shall not be subject to any restrictions, the new shareholders shall not be under an obligation to have their shares redeemed and the new shares are in all other respects to carry the same rights and privileges as the shares existing in the Company at the date of the adoption of this authorisation.

2.14. The Board of Directors is authorised in the period until 30 April 2013 without proportionate pre-emptive subscription rights for the existing shareholders, to resolve to increase the Company's share capital in one or more issues by up to a total nominal amount of DKK 2,400,000,000 at a rate discounted to the market price.

New shares issued pursuant to this authorisation shall be subscribed for in cash, conversion of debt, or contribution of assets other than cash, shall be negotiable instruments, shall be issued to bearer, but shall be eligible for registration in the name of the holder in the Company's register of shareholders. The transferability of the new shares shall not be subject to any restrictions, the new shareholders shall not be under an obligation to have their shares redeemed and the new shares are in all other respects to carry the same rights and privileges as the shares existing in the Company at the date of the adoption of this authorisation.

On 5 November 2012 the Board of Directors increased the share capital by a nominal amount of DKK 6,552,000.00 by utilisation of the authorisation. The remaining total amount of the authorisation is hereafter DKK 2,393,448,000.00 in this Article 2(14).

Article 3

3.1. The Company's shares shall be negotiable instruments, and the transferability of the shares shall not be subject to any restrictions.

3.2. The shares shall be issued through VP SECURITIES A/S and/or under an American Depositary Receipt Program (ADR Program).

3.3. The shares shall be issued to bearer, but may be entered in the Company's register of shareholders in the name of the holder. The Company has appointed VP Investor Services A/S (VP Services A/S), CVR no. 30201183, keeper of the Company's Register of Shareholders for all shares issued by the Company.

3.4. No share shall confer special rights upon its holder.

3.5. No shareholder shall be obliged to have his shares redeemed.

3.6. When the audited annual report has been adopted by the Company in general meeting, the declared dividend shall be distributed by transfer to the accounts designated by the shareholders in accordance with the rules on VP SECURITIES A/S in force from time to time.

3.7. Any dividend payable to a shareholder which remains unclaimed for three years after the due date shall accrue to the Company.

3.8. The Board of Directors has been authorised by the general meeting to resolve to distribute interim dividend

Article 4

4.1. If previously issued shares have been lost and no application for registration of the shares has been filed with VP SECURITIES A/S, such shares and appurtenant coupon sheets, talons and interim certificates may on the Company's initiative and at the expense of the applicant be cancelled without judgment in accordance with the statutory rules on this in force from time to time.

Article 5

5.1. The general meetings of the Company shall be held in Region Greater Copenhagen.

5.2. Annual general meetings shall be held every year before the end of April.

5.3. Any shareholder shall be entitled to have one or more items included in the agenda for the ordinary general meeting, provided that the shareholder submits a written request to that effect to the Company's Board of Directors no later than six weeks before the general meeting.

5.4. Extraordinary general meetings shall be held when demanded by the Board of Directors or the auditor elected by the general meeting. Extraordinary general meetings shall be convened within 2 weeks if requisitioned in writing by shareholders holding 5% of the share capital for the purpose of considering specific business.

5.5. General meetings shall be convened with a notice of no more than five weeks and no less than three weeks.

5.6. General meetings shall be convened by notice on the Company's website www.torm.com, via the Danish Commerce and Companies Agency's IT system and otherwise in any such manner and form as may at any time be required by the stock exchanges on which the Company's shares or ADRs (American Depositary Receipts) are listed. Written notice of the meeting shall, however, be given to all shareholders entered in the Company's register of shareholders and/or to all ADR holders who have registered their holdings with the Company and who have so requested.

5.7. The notice convening the general meeting shall specify the business to be transacted at the meeting. If proposals for amendments to the Articles of Association are to be considered, the essential aspects of the proposal shall be stated in the notice.

Article 6

6.1. On 22 April 2009, the Annual General Meeting resolved to authorise the Board of Directors to i) fix the date for introduction of communication by electronic means pursuant to Articles 6(3) – 6(6) below and at the same time to ii) make all necessary amendments to the Articles of Association.

6.2. The Board of Directors shall notify the Company's shareholders about the date of introduction of communication by electronic means.

6.3. The Company shall be entitled to give any notices to the Company's shareholders under the Danish Companies Act or these Articles of Association by electronic mail, and documents may be made available or forwarded in electronic form. The annual report and any other notices required to be given to the shareholders by law must, however, always be available in paper version and forwarded to any shareholders having so requested.

6.4. The Management Board will ask all shareholders recorded in the Company's register of shareholders to provide their current email addresses to which notices etc., cf. Article 6(1) above, may be given. It is the responsibility of the shareholder to provide the Company with a correct and current email address.

6.5. At the discretion of the Board of Directors, the above form of communication may also be used for communication between the Company and the members of the Board of Directors.

6.6. Information on system requirements and the use of electronic communication shall be provided directly to the shareholders by the Company's Management Board or be published on the Company's website.

Article 7

7.1. The agenda for the annual general meeting shall be as follows:

1. Director's report on the activities of the Company in the past year.

2. Presentation for adoption of the annual report.

3. The Board of Director's proposal for the appropriation of profits or provision for losses in accordance with the adopted annual report.

4. Election of members to the Board of Directors.

5. Appointment of auditor/auditors.

6. Any other business and notices.

Article 8

8.1 A shareholder’s right to participate in and vote at general meetings shall be determined on the basis of such shareholder’s holding of shares on the record date, i.e., one week prior to the general meeting. Participation at general meetings is furthermore subject to the shareholder having requested an admission card for the relevant general meeting no later than three days prior to the date of the general meeting. Admission cards are issued to any such person who according to the register of shareholders is registered as a shareholder on the record date or who has duly reported his shareholding to the Company as at the record date for purposes of entry in the register of shareholders.

8.2 The Board of Directors may determine that holders of ADRs as at the record date may attend general meetings, provided that such holders no later than three days before the date of the general meeting have requested an admission card for the relevant general meeting and presented due documentation of their holdings.

8.3. Each share of DKK 0.01 carries one vote.

8.4. Each shareholder shall be entitled to be represented by proxy.

8.5. The proxy holder shall present a written and dated instrument of proxy. Instruments of proxy to the Company's management shall be granted for a maximum period of 12 months and shall be issued for a specific general meeting with a known agenda.

Article 9

9.1. The Board of Directors shall appoint a chairman to preside the general meeting and decide all matters relating to the transaction of business and the voting, always provided that any voting shareholder may demand that the resolutions put to the vote of the meeting should be decided by poll.

Article 10

10.1. General meetings can only form a quorum provided that at least 1/3 of the share capital is represented.

10.2. At general meetings, all resolutions shall be passed by a simple majority of votes, unless otherwise provided by statute or these Articles of Association.

10.3. Any adoption of resolutions for amendment of the Articles of Association, the dissolution or merger of the Company with another company or firm, the use of the Company's foundation, rejection of the annual report and/or the Directors' proposal for appropriation of profits, appointment of member(s) of the Company's Board of Directors requires that at least 3/5 of the share capital is represented at the general meeting and that the resolution is adopted by at least 2/3 of all votes cast unless any such resolution is proposed by the Company's Board of Directors. Any resolution for the amendment of the Company's Articles of Association is further subject to the conditions set out in Sections 106-107 of the Danish Companies Act.

10.4. In the event that shareholders have at the annual general meeting decided by simple majority not to adopt the Company's annual report, the general meeting may, notwithstanding the above, decide by simple majority to submit the annual report for a new audit.

10.5. In the event that a general meeting has been convened for the purpose of adopting a resolution requiring qualified majority and if an insufficient number of shares are represented at such meeting, the Board of Directors shall as soon as possible convene a new general meeting at

which the proposal, irrespective of the number of shares represented, may be adopted by 5/6 of all votes unless 1/3 of the votes represented is against the proposal at the first general meeting. Instruments appointing a proxy for the first general meeting shall, unless expressly revoked, be valid also for the second general meeting.

10.6. If a resolution is passed by simple majority in accordance with the second paragraph of this Article, the following shall apply:

In case of equality of votes in connection with the election of members to the Board of Directors, auditor/auditors or liquidators, the matter shall be decided by lot between the relevant persons. A proposal shall otherwise be deemed rejected if an equal number of votes has been cast for and against the proposal.

Article 11

11.1. The proceedings of the general meeting shall be briefly recorded in a minute book authorized by the Board of Directors for this purpose, and the minutes shall be signed by the chairman of the meeting and the members of the Board of Directors present at the meeting.

Article 12

12.1. The Company shall be managed by a Board of Directors made up of a minimum of three and a maximum of eight members elected from among the shareholders by the Company in general meeting. If employee directors have been elected in accordance with the provisions of the Danish Companies Act, such employee directors shall join the Board of Directors in accordance with the rules in force from time to time.

12.2. The members of the Board of Directors elected by the Company at the general meeting shall hold office for a term of one year. Any employee director shall hold office for such term as provided for in the Danish Companies Act. No one who has reached the age of 70 may be elected to the Board of Directors. A member shall retire from the Board of Directors no later than at the first annual general meeting after he or she has reached the age of 70.

12.3. Retiring members of the Board of Directors shall be eligible for re-election.

12.4. If, at a general meeting, a shareholder wants to propose a person other than a retiring member of the Board of Directors or if a new member has been proposed by the Board of Directors, notice stating the name of the candidate shall be submitted to the Board of Directors not later than eight days before the general meeting in question.

Article 13

13.1. The Board of Directors shall appoint a managing director to be in charge of the day-to-day management of the Company, and possibly one or more managers.

13.2. The Board of Directors shall be entitled to buy, sell and mortgage real property and ships.

13.3. The Board of Directors shall appoint from among its members a chairman and a deputy chairman to substitute the chairman in his absence.

13.4. The Board of Directors may grant individual or joint power of procuration.

13.5. The Board of Directors shall lay down rules of procedure for the performance of its duties. The Board of Directors shall make its decisions by a simple majority of votes. In case of equality of votes, the chairman shall have the casting vote.

13.6. The members of the Board of Directors shall receive a fixed emolument. The total proposed emolument shall be included in a special note in the annual report and be presented for adoption together with the annual report.

13.7. At the Company's Annual General Meeting held on 22 April 2009, the shareholders adopted the overall guidelines for the Company's incentive plan to members of the Management Board and the Board of Directors, cf. s. 69b of the former Danish Companies Act. The guidelines are available at the Company's website www.torm.com.

13.8. The corporate language is English, cf. Section 126(3)-(4) of the Companies Act.

Article 14

14.1. The Company shall be bound by the joint signatures of three members of the Board of Directors, one of whom shall be the chairman or the deputy chairman, or by the joint signatures of two members of the Board of Directors, one of whom shall be the chairman or the deputy chairman, and the Managing Director.

Article 15

15.1. The annual reports of the Company shall be audited by one or two auditors, at least one of whom shall be a state-authorised public accountant. The auditor/auditors shall be appointed by the Company in general meeting for a term of one year.

Article 16

16.1. The Company's accounting year shall be the calendar year.

As adopted at the Annual General Meeting held on 23 April 2012 (as completed on 5 November 2012), and amended at the board meeting held on 5 November 2012.

Niels Erik Nielsen, Chairman of the Board of Directors

Note:	These Articles of Association are prepared in both a Danish and an English version. In the event of a conflict between them, the Danish version shall prevail.