



TORM in non-compliance with its loan facilities

On 29 August 2014, TORM informed that all lenders had extended the Super Senior Working Capital Facility until 31 March 2015 to facilitate the completion of the recapitalization process. The extension is subject to continued progress in the recapitalization process (cf. announcement no. 13 dated 29 August 2014). One of the progress milestones specifies that by 20 November 2014 TORM shall agree to a “restructuring and support agreement” with the Co-ordinating Committee of Lenders (representing both banks and other lenders).

With reference to announcement no. 16 dated 27 October 2014, TORM has entered into an agreement with a group of its current lenders, representing 61% of the Company’s ship financing, and Oaktree Capital Management regarding a possible restructuring of TORM. This agreement has yet to receive unanimous support from the Co-ordinating Committee, and some of the lenders have taken reservation of rights regarding a potential default under other provisions.

Therefore, TORM is currently in non-compliance with the milestone requirements under its loan facilities. However, with the commitment from the group of lenders that represents 61% of TORM’s ship financing, such milestone default is not expected to be enforced whilst negotiations are on-going. The proposed transaction with Oaktree Capital Management is sought to be finalized no later than first quarter of 2015.

TORM considers this as a consequence of the development in the restructuring process and does not expect this to have any immediate financial consequences.

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About TORM

TORM is one of the world’s leading carriers of refined oil products as well as a player in the dry bulk market. The Company operates a fleet of approximately 85 modern vessels with a strong commitment to safety, environmental responsibility and customer service.

TORM was founded in 1889 and celebrated its 125 year anniversary earlier this year. The Company conducts business worldwide and is headquartered in Copenhagen, Denmark. TORM’s shares are listed on NASDAQ OMX Copenhagen (ticker: TORM). For further information, please visit www.torm.com.

Safe Harbor statements as to the future

Matters discussed in this release may constitute forward-looking statements. Forward-looking statements reflect our current views with respect to future events and financial performance and may include statements concerning plans, objectives, goals, strategies, future events or performance, and underlying assumptions and statements other than statements of historical facts. The forward-looking statements in this release are based upon various assumptions, many of which are based, in turn, upon further assumptions, including without limitation, management’s examination of historical operating trends, data contained in our records and other data available from third parties. Although TORM believes that these assumptions were reasonable when made, because these assumptions are inherently subject to significant uncertainties and contingencies which are difficult or impossible to predict and are beyond our control, TORM cannot guarantee that it will achieve or accomplish these expectations, beliefs or projections.

Forward-looking statements in this company announcement reflect our current views with respect to future events and financial performance and may include statements concerning plans, objectives, goals, strategies, future events or performance, and underlying assumptions and statements other than statements of historical facts. The forward-looking statements in this release are based upon various assumptions, many of which are based, in turn, upon further assumptions, including without limitation, management’s examination of historical operating trends, data contained in our records and other data available from third parties. Although the Company believes that these assumptions were reasonable when made, because these assumptions are inherently subject to significant uncertainties and contingencies which are difficult or impossible to predict and are beyond our control, the Company cannot guarantee that it will achieve or accomplish these expectations, beliefs or projections.

Important factors that, in our view, could cause actual results to differ materially from those discussed in the forward- looking statements include the strength of the world economy and currencies, changes in charter hire rates and vessel values, changes in demand for “tonne miles” of oil carried by oil tankers, the effect of changes in OPEC’s petroleum production levels and worldwide oil consumption and storage, changes in demand that may affect attitudes of time charterers to scheduled and unscheduled dry-docking, changes in TORM’s operating expenses, including bunker prices, dry-docking and insurance costs, changes in the regulation of shipping operations, including requirements for double hull tankers or actions taken by regulatory authorities, potential liability from pending or future litigation, domestic and international political conditions, potential disruption of shipping routes due to accidents and political events or acts by terrorists.

Forward-looking statements are based on management’s current evaluation, and TORM is only under an obligation to update and change the listed expectations to the extent required by law.