Company Registration No.9818726

TORM plc

Financial Statements
For the financial period from
12 October 2015 - 31 December 2015

Directors

Christopher Helmut Boehringer
David Weinstein
Torben Janholt
Pär Göran Trapp
Jacob Meldgaard

(Together, the “Directors”)

Company Secretary

Elemental CoSec Ltd.

Registered Office

27 Old Gloucester Street
London WCIN 3AX
United Kingdom

Auditor

Deloitte LLP

TORM plc
General information

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The Directors present their strategic report together with the audited financial statements of TORM plc for the financial period from 12 October to 31 December 2015.

Organisation and principal activity
TORM plc (the "Company") was incorporated on 12 October 2015 (Companies House registration no. 9818726). The Company was re-registered as public limited company on 20 January 2016.

The Company is a wholly-owned subsidiary of OCM Njord Holdings S.á.r.l.

The Company will continue to exist as a going concern and there are no plans to liquidate the Company.

The Company intends 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 Directors may deem incidental to the attainment of those objects.

Business review
As shown in the statement of Comprehensive Income on page 7 the loss after taxation for the year USD 1,096,605.

Due to the limited activity within the Company, the Directors do not feel that it is necessary to include analysis using key performance indicators (KPIs).

There have been no significant events since the balance sheet date that would cause any of the assets or liabilities reported in these financial statements to be restated.

Going concern
The directors' forecasts and projections, taking into account reasonably possible changes in performance and the impact of the risks and uncertainties outlined below, indicate it is appropriate to adopt the going concern basis in preparing these financial statements. The directors have reasonable expectation that the Company has adequate liquid resources to continue in operational existence for the foreseeable future. Thus the Company adopts the going concern basis in preparing the financial statements.

Further details regarding the adoption of the going concern basis can be found in note 2 to the financial statements.

Principal risks and risk governance

Market risk
All market risks are represented on the Company's balance sheet. The Company now holds only non-interest bearing assets held at cost and is not exposed to market risks.

Liquidity risk
The purpose of liquidity management is to ensure that sufficient cash is available to meet all contractual commitments as they fall due. The parent company currently provides the necessary liquidity. This will cease to be the case in 2016 following the exchange offer.

Credit Risk
The Company assesses the credit risk for its transactions and takes appropriate steps to limit/offset the credit risk.

Interest rate and foreign exchange risk
The Company monitors its interest rate risk, considering any material exposures.

The US dollar is the functional currency of the Company, as the Company's most significant assets and liabilities will be denominated in USD.

The Company is exposed to the risk of changes in foreign currency exchange rates with regard to the payables and receivables, which are not denominated in US dollars.

Charitable and political contributions

During the year the Company made charitable and political donations of $nil.

Future developments

The Directors expect the general levels of activity to increase in the forthcoming year. This is expected to be as the result of an exchange offer proposed to be made by the Company for the entire issued share capital of TORM A/S and which is under consideration by the Company

The Directors in preparing this report, have complied with S414 of the Companies Act 2006.
The Directors present their Strategic report for the year ended 31 December 2015 to provide a review of the Company's business, principal risks and uncertainties and performance and position.

Approved by the Directors
and signed on behalf of the Board

Jacob Meldgaard
Director

8 March 2016

The Directors present their annual report and the audited financial statements for the period ended 31 December 2015.

The strategic Report starting on page 1 contains details of the principal activities of the Company and provides detailed information on the development of the Company's business during the period from 12 October 2015 and details of exposure to risks and uncertainties and indications of likely future developments.

The Directors who held office during the period and subsequently are shown below.

Directors

The Directors of the Company in office during the period and up to the date of this report are:

Christopher Helmut Boehringer (appointed 13/10/2015)
David Weinstein (appointed 14/12/2015)
Torben Janholt (appointed 13/12/2015)
Pãr Gõran Trapp (appointed 15/10/2015)
Jacob Meldgaard (appointed 14/12/2015)
Nick Lindsay (appointed 12/10-2015, terminated 13/10/2015)

Dividends

The company declared no dividends for the year ended 31 December 2015.

Directors' interest in shares and contracts

The Director's had, and continue to have, no disclosable interests in either the share capital of the Company or any contracts of the Company.

Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

1. so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
2. the director has taken all the steps that they ought to have taken as director in order to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.
Deloitte LLP have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditor in the absence of an Annual General Meeting.

Approved by the Directors
and signed on behalf of the Board

Jacob Meldgaard
Director

8 March 2016

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

U.K. company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. Under U. K. company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the company for that period. In preparing these financial statements, International Accounting Standard 1 requires that Directors:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the Company's ability to continue as a going concern.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Directors confirm that to the best of their knowledge:

- the Company's financial statements, which have been prepared in accordance with IFRSs as adopted by the EU, give a true and fair view of the assets, liabilities, financial position and profit of the Company; and
- the directors' report includes a fair review of the development and performance of the business and the position of the Company, together with a description of the principal risks and uncertainties that it faces.

We have audited the financial statements of TORM Plc for the period from incorporation on 12 October 2015 to 31 December 2015 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, Statement of Changes in Equity, and the related notes 1 to 12. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Directors and auditor

As explained more fully in the Directors' Responsibilities Statement, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies, we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2015, and of its loss for the period then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Strategic Report and the Directors' Report.

Matters on which we are required to report by exception
We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

David Paterson (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
London, United Kingdom

8 March 2016

TORM plc
Statement of Comprehensive Income
For the financial period 12 October 2015 to 31 December 2015

	Note	31.12.2015
		US$
Operating expenses		(1,096,605)
Operating loss		(1,096,605)
Loss before taxation	3	(1,096,605)
Income tax expense	4	–
Loss for the financial period		(1,096,605)
Other comprehensive income for the financial period, net of tax		–
Total comprehensive loss for the financial period		(1,096,605)

The Company did not enter into any cash transactions during the period and accordingly no cash flow statement has been presented within these financial statements.

The Company was incorporated on 12 October 2015, therefore these are its first financial statements and no comparative information is available.

	Note	2015
		US$
ASSETS		
Current assets		
Prepaid assets	5	1,378,940
Other receivables	6	286,349
		1,665,289
Total assets		1,665,289
EQUITY AND LIABILITIES		
Current liabilities		
Other payables	7	2,732,281
Intercompany loan payable	8	29,610
Total Liabilities		2,761,891
Equity attributable to owner of the Company		
Share capital	9	3
Accumulated losses		(1,096,605)
Total equity		(1,096,602)
Total equity and liabilities		1,665,289

The financial statements of TORM plc (registered no. 9818726) as at 31 December 2015 were approved by the Board of Directors on 8 March 2016 and signed on its behalf by:

Jacob Meldgaard
Director

TORM plc
Statement of Changes in Equity
For the financial period from 12 October 2015 to 31 December 2015

	Note	**Share capital** US$	**Accumulated deficit** US$	**Total** US$
Balance 12 October 2015 (date of incorporation)	1	3	-	-
Loss for the financial period		-	(1,096,605)	(1,096,605)
Total comprehensive loss for the financial period		-	(1,096,605)	(1,096,605)
Closing balance at 31 December 2015		-	(1,096,605)	(1,096,605)

1. Corporate information

TORM plc (the "Company") is a public limited liability company. It was a private limited company for the financial period ended 31 December 2015 and re-registered as a public limited company on 20 January 2016.

The registered office of the Company is located at 27 Old Gloucester Street, London WCIN 3AX, United Kingdom.

The Company incorporated on 12 October 2015, therefore these are its first financial statement and no comparative information is available.

2. Significant accounting policies

Basis of preparation

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU.

The financial statements are presented in United States Dollars ("USD" or "US$"), and have been prepared on the historical cost basis except as disclosed in the accounting policies below.

Going Concern

The Companies forecasts and projections, taking into account reasonably possible changes in performance and the impact of the risks and uncertainties outlined below, indicate it is appropriate to adopt the going concern basis in preparing these financial statements. The directors have reasonable expectation that the Company has adequate liquid resources to continue in operational existence for the foreseeable future. Thus the Company adopts the going concern basis in preparing the financial statements.

International financial reporting standards

At the date of authorisation of these financial statements, the Company has not applied the following new and revised IFRSs that have been issued but are not yet effective and in some cases had not yet been adopted by the EU:

IAS 19 (amendments)	Defined Benefit Plans: Employee Contributions
Annual Improvements to IFRSs: 2010-2012	Amendments to : IFRS2: Share-based Payments, IFRS 3 Business Combinations, IFRS 8 Operating Segments, IFRS 13 Fair Value Measurement, IAS 16 Property, Plant and Equipment, IAS 24 Related Party Disclosures and IAS 38 Intangible Assets.
IFRS 9	Financial Instruments
IFRS 16	Leases
IFRS 15	Revenue from Contracts with Customers
IFRS 11 (amendments)	Accounting for Acquisitions of Interests in Joint Operations
IAS 1 (amendments)	Disclosure Initiative
IAS 12 (amendments)	Recognition of Deferred Tax Assets for Unrealised Losses
IAS 16 and IAS 38 (amendments)	Clarification of Acceptable Methods of Depreciation and Amortisation
IAS 16 and IAS 41 (amendments)	Agriculture: Bearer Plants

IAS 27 (amendments)	Equity Method in Separate Financial Statements
IFRS 10 and IAS 28 (amendments)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
IFRS 10, IFRS 12 and IAS 28 (amendments)	Investment Entities: Applying the Consolidation Exemption
Annual Improvements to IFRSs: 2012-2014 Cycle	Amendments to: IFRS 5 Non-current Assets Held for Sale and Discontinued Operations, IFRS 7 Financial Instruments: Disclosures, IAS 19 Employee Benefits and IAS 34 Interim Financial Reporting

The Directors do not expect that the adoption of the Standards listed above will have a material impact on the financial statements in future periods, except that IFRS 9 will impact both the measurement and disclosures of financial instruments. Beyond the information above, it is not practicable to provide a reasonable estimate of the effect of IFRS 9 until a detailed review has been completed.

2.1 Functional and foreign currency

The Company's financial statements are presented in United States Dollars, which is assessed to be the functional currency of the Company.

Transactions and balances

Transactions in foreign currencies are measured in the functional currency of the Company and are recorded on initial recognition in the functional currency at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the end of the reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in the profit or loss.

2.2 Financial instruments

Financial assets and financial liabilities are recognised on the Company's Statement of Financial Position when the Company becomes a party to the contractual provisions of the instrument.

Trade and other receivables
Trade and other receivables are measured on initial recognition at fair values, and are subsequently measured at amortised cost using the effective interest method.

A provision for impairment of trade receivables is established when there is no objective evidence that the Company will be able to collect all amounts due according to the original terms. The Company considers factors such as default or delinquency in payment, significant financial difficulties of the debtor and the probability that the debtor will enter bankruptcy in deciding whether the trade receivable is impaired.

The amount of any provision is recognised in the Statement of Comprehensive Income. The Company does not generally charge interest on past-due accounts unless the accounts are subject to legal action. Accounts are written off as uncollectible when all reasonable collection efforts have failed.

Interest-bearing borrowings

Interest-bearing borrowings are recognised at fair value, being proceeds received less any attributable transaction costs and are subsequently measured at amortised cost, using the effective interest rate method.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Equity instruments
An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

2.3 **Taxation**
The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax
The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the Statement of Comprehensive Income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax
Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the balance sheet date. Deferred tax is charged or credited in the Statement of Comprehensive Income, except when it relates to items charged or credited in other comprehensive income, in which case the deferred tax is also dealt with in other comprehensive income.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

2.4 Significant accounting judgments and estimates

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

Judgments made in applying accounting policies
In the process of applying the Company's accounting policies, management has not made any judgments, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements.

3. Operating loss

The following items have been included in arriving at the operating loss:

	31.12.2015
	US$
Fees payable to the Company’s auditor for the audit of the Company’s financial statements	7,403
Fess payable to the Company’s auditor for other audit related services	5,922

The Company did not have any employees other than its Directors during the period. The Directors did not receive any remuneration for services provided to the Company during the period.

4. Income tax expense

The reconciliation between tax expense and the product of accounting profit before tax multiplied by the applicable corporate tax rate for the financial period ended 31 December is as follows:

	31.12.2015
	US$
Loss before taxation	(1,096,605)
Tax at applicable corporate tax rate of 20%	(219,321)
Adjustment:	
Deferred tax assets not recognised	219,321
Income tax expense recognised in the statement of comprehensive income	-

5. Prepaid assets

	31.12.2015
	US$
Prepayments	1,378,940

Prepaid assets represents costs incurred in relation to the proposed equity offering that is expected to take place in 2016.

6. Other receivables

	31.12.2015
	US$
Other receivables	286,349

7. Other payables

	31.12.2015
	US$
Accruals	2,732,281

8. Related party

The Company has the following assets and liabilities arising from transactions with related parties which have been included in the Statement of Financial Position

	31.12.2015
	US$
Current assets	
Due from shareholders	3
Current liabilities	
Intercompany loan	29,610

The amounts due from shareholders refer to the share capital that as of 31 December 2015 remains unpaid.

The intercompany loan is owed to TORM Singapore pte. On 14 December 2015 the Company entered into a US$5,000,000 loan facility agreement with TORM Singapore pte which bears interest at 2% pa. As of 31 December 2015, the Company has drawn $29,610 from this facility.

9. Share Capital

Allotted	31 December 2015	
	No	US$
Issued ordinary shares of GBP £1	2	3

The Company has one class of ordinary shares.

10. Financial Instruments

The Company manages its funding and capital resources to ensure the Company's ability to continue as a going concern whilst maximising the return to the shareholders through optimisation of the balance between debt and equity finance. The Company does not currently have any specific gearing target and is not subject to externally imposed capital requirements.

Financial liabilities measures at amortised cost

	31.12.2015
	US$
Other payables	2,732,281
Intercompany loan (Note 8)	29,610
Total financial liabilities	2,761,891

The carrying value of the financial assets and the financial liabilities is materially similar to their fair value.

Financial risk management objectives
The Company's operations expose it to a variety of financial risks including liquidity risk, interest rate risk and credit risk. Given the size of the Company, the Directors have retained responsibility for monitoring financial risk management.

Interest rate risk
The Company's activities expose it to the financial risks of changes in interest rates. The Company has a loan agreement with a fixed rate of 2% repayable on 30 June 2016.

Credit risk
Credit risk is the potential exposure of the Company to loss in the event a counterparty fails to meet its obligations.
The Directors do not consider credit risk to be material due to the Company not having any financial assets as of 31 December 2015.

Liquidity risk
Liquidity risk is the risk that an entity will encounter difficulty in raising funds to meet commitments associated with its operating activities.
Based on internal projections that take into account reasonably possible changes in the Company's performance, the Company has adequate financial resources to continue in operation for a period of at least twelve months from the date of approval of these financial statements. Accordingly, the Company continues to adopt the going concern basis in preparing its financial statements. Further details in respect of this area are provided in the "going concern" section in note 2.

11. Ultimate controlling party

In the opinion of the Director's the Company's controlling party is Oaktree OPPS Fund IX LP, a fund incorporated in the Cayman Islands, whose General Partner is Oaktree Opportunities Fund IX GP Ltd. The largest group in which the Company is consolidated is Oaktree OPPS Fund IX LP, and the smallest group in in which the Company is consolidated is OCM Njord Holdings S.á.r.l.

12. Post balance sheet events

There were no significant post balance sheet events that occurred after 31 December 2015.