

## INSIDE INFORMATION

## TORM plc Q3/2024 Results, Dividend Distribution, and Financial Outlook 2024

*“Our performance this quarter remains strong, with fleet-wide freight rates slightly above last year's levels. Despite the expected impact of seasonality, we continued to deliver solid results in the third quarter,” says Jacob Meldgaard.*

### Financial Results

In the third quarter of 2024, TORM's time charter equivalent earnings (TCE) amounted to USD 263.4m (2023, same period: USD 244.4m). TORM realized an adjusted EBITDA of USD 190.9m (2023, same period: USD 186.6m) and a net profit for the period of USD 130.7m (2023, same period: USD 124.3m).

In the first nine months of 2024, TORM achieved TCE of USD 920.1m including unrealized losses on derivatives of USD -0.6m (2023, same period: USD 817.4m including unrealized gains on derivatives of USD 12.8m) and an adjusted EBITDA of USD 709.2m (2023, same period: USD 600.8m) and a net profit of USD 534.1m (2023, same period: USD 463.4m), underscoring both strong market fundamentals and the growth of our fleet.

During the third quarter of 2024, ton-mile demand related to clean petroleum products grew by 12% year-on-year. However, during the quarter around 50 crude tankers cleaned up to transport clean petroleum products and thus captured much of the additional ton-mile demand. The effect of this combined with the third quarter's seasonality led to TCE rates significantly subsiding compared to the first half of the quarter. Compared to the same quarter last year, average TCE rates were, however, at similar levels. In this market, TORM achieved TCE rates of USD/day 33,722 on average (2023, same period: USD/day 33,010), and available earning days increased to 7,788 (2023, same period: 7,658). Our vessel class LR2 achieved TCE rates of USD/day 41,064, the LR1 vessels achieved TCE rates of USD/day 33,749, and the MR vessels achieved TCE rates of USD/day 31,193.

For the third quarter of 2024, Return on Invested Capital amounted to 20.3% (2023, same period: 22.6%) reflecting the continued strong earnings relative to the increased investments in vessels.

During the quarter, the weighted number of average outstanding shares excluding treasury shares increased to 94.4m shares which combined with the net profit led to basic EPS of USD 1.38 (2023, same period: USD 1.47).

### Key Figures

USDm	Q3 2024	Q3 2023	change	Q1-Q3 2024	Q1-Q3 2023	change
Time charter equivalent earnings (TCE)	263.4	244.4	19.0	920.1	817.4	102.7
Adjusted EBITDA <sup>1</sup>	190.9	186.6	4.3	709.2	600.8	108.4
Net profit/(loss) for the period	130.7	124.3	6.4	534.1	463.4	70.7
Unrealized gains/(losses) on derivatives	0.8	(8.4)	9.2	(0.6)	12.8	-13.4
TCE per day (USD) <sup>2</sup>	33,722	33,010	712	39,626	36,837	2,789
Return on invested capital	20.3%	22.6%	(2.3)%	28.7%	29.4%	(0.7)%
Basic earnings/(loss) per share (USD)	1.38	1.47	(0.09)	5.77	5.57	0.20
Declared dividend per share (USD)	1.20	1.46	(0.26)	4.50	4.42	0.08
Dividend pay-out ratio	89%	99%	(10)%	78%	79%	(1)%

<sup>1</sup>Adjusted EBITDA excludes unrealized gains/losses on derivatives.

<sup>2</sup>Unrealized gain/losses on derivatives included in TCE earnings and EBITDA, but not included in TCE per day.

**Vessel Transactions**

Early in the quarter, TORM entered into an agreement to acquire eight second-hand 2014-15 built MR vessels and during the quarter TORM took delivery of the first three of these vessels (TORM Diwata, TORM Durga, and TORM Damini).

After the closing of the quarter, TORM has taken delivery of a further three of the vessels (TORM Dulce, TORM Doris, and TORM Dagny), whilst the remaining two vessels are expected to be delivered before the end of the year.

Also in the quarter, TORM sold and delivered one 2006-built MR vessel, TORM Platte, to its new owner.

Thus, after completion of the deliveries, TORM's fleet size will increase to 96 vessels.

**Distribution of Dividend for the Third Quarter of 2024**

TORM's Board of Directors has today approved an interim dividend for the third quarter of 2024 of USD 1.20 per share to be paid to the shareholders corresponding to an expected total dividend payment of USD 116.2m. The distribution for the quarter is equivalent to 89% of net profit and reflects the Distribution Policy implemented this year. The payment date is 04 December 2024 to all shareholders on record as of 21 November 2024, and the ex-dividend date is 20 November 2024 for the shares listed on Nasdaq OMX Copenhagen and 21 November 2024 for the shares listed on Nasdaq New York.

**Financial Outlook 2024** (INSIDE INFORMATION)

As of 04 November 2024, TORM had covered 52% of the Q4 2024 earning days at USD/day 29,044. For the individual vessel classes, the Q4 2024 coverage was 61% at USD/day 40,704 for LR2, 37% at USD/day 28,263 for LR1 and 51% at USD/day 24,493 for MR.

Thus, as of 04 November 2024 87% of the 2024 earning days were covered at USD/day 38,372. Hence, 13% of the full-year earning days in 2024 are subject to change. Consequently, as 4,001 earning days in 2024 are unfixed, a change in freight rates of USD/day 1,000 will - all other things being equal - impact the EBITDA by 4m

Based on the earnings realized in the first nine months of the year as well as the coverage for the remaining part of the year, TORM adjusts its full-year guidance for 2024, thus TCE earnings are expected to be USD 1,110 - 1,160m (previous guidance 1,150 - 1,350m), and EBITDA is expected to be USD 810 - 860m (previous guidance 850 - 1,050m) based on the current fleet size including announced acquisitions and divestment of vessels.

### Webcast and Conference Call

TORM will host a webcast and conference call for investors and analysts today, Thursday 07 November 2024 at 09:00 am Eastern Time / 03:00 pm Central European Time.

Participants joining webcast:

Please access the webcast [here](#).

Participants joining by telephone:

Please register [here](#) for the event to receive your unique passcode.

Please call one of the dial-in numbers (below) at least ten minutes prior to the start:

Denmark: +45 80 83 06 60

United Kingdom: +44 800 524 4258

United States: +1 888 500 3691

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### About TORM

TORM is one of the world's leading carriers of refined oil products. TORM operates a fleet of approximately 90 product tanker vessels with a strong commitment to safety, environmental responsibility and customer service. TORM was founded in 1889 and conducts business worldwide. TORM's shares are listed on Nasdaq in Copenhagen and on Nasdaq in New York (ticker: TRMD A and TRMD. ISIN: GBO0BZ3CNK81). For further information, please visit [www.torm.com](http://www.torm.com).

### Safe Harbor Statement as to the Future

Matters discussed in this release may constitute forward-looking statements. The Private Securities Litigation Reform Act of 1995 provides safe harbor protections for forward-looking statements in order to encourage companies to provide prospective information about their business. 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 other statements, which are statements other than statements of historical facts. The Company desires to take advantage of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 and is including this cautionary statement in connection with this safe harbor legislation. Words such as, but not limited to, "expects," "anticipates," "intends," "plans," "believes," "estimates," "targets," "projects," "forecasts," "potential," "continue," "possible," "likely," "may," "could," "should" and similar expressions or phrases may identify forward-looking statements.

The forward-looking statements in this release are based upon various assumptions, many of which are, in turn, based 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 that 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, but are not limited to, our future operating or financial results; changes in governmental rules and regulations or actions taken by regulatory authorities; the central bank policies intended to combat overall inflation and rising interest rates and foreign exchange rates; inflationary pressure; increased cost of capital or limited access to funding due to EU Taxonomy or relevant territorial taxonomy regulations; [the length and severity of epidemics and pandemics and their impact on the demand for seaborne transportation of petroleum products;] general domestic and international political conditions or events, including "trade wars", and the conflict between Russia and Ukraine, the developments in the Middle East, including the conflicts in Israel and the Gaza Strip, and the conflict regarding the Houthi attacks in the Red Sea; changes in economic and competitive conditions affecting our business, including market fluctuations in charter rates and charterers' abilities to perform under existing time charters; changes in the supply and demand for vessels comparable to ours and the number of newbuildings under construction; the highly cyclical nature of the industry that we operate in; the loss of a large customer or significant business relationship; changes in worldwide oil production and consumption and storage; risks associated with any future vessel construction; our expectations regarding the availability of vessel acquisitions and our ability to complete acquisition transactions planned; availability of skilled crew members other employees and the related labor costs; work stoppages or other labor disruptions by our employees or the employees of other companies in related industries; the impact of increasing scrutiny and changing expectations from investors, lenders and other market participants with respect to our ESG policies; Foreign Corrupt Practices Act of 1977 or other applicable regulations relating to bribery; effects of new products and new technology in our industry, including the potential for technological innovation to reduce the value of our vessels and charter income derived therefrom; new environmental regulations and restrictions, whether at a global level stipulated by the International Maritime Organization, and/or imposed by regional or national authorities such as the European Union or individual countries; the impact of an interruption in or failure of our information

technology and communications systems, including the impact of cyber-attacks, upon our ability to operate; potential conflicts of interest involving members of our board of directors and senior management; the failure of counterparties to fully perform their contracts with us; changes in credit risk with respect to our counterparties on contracts; our dependence on key personnel and our ability to attract, retain and motivate key employees; adequacy of insurance coverage; our ability to obtain indemnities from customers; changes in laws, treaties or regulations; our incorporation under the laws of England and Wales and the different rights to relief that may be available compared to other countries, including the United States; government requisition of our vessels during a period of war or emergency; the arrest of our vessels by maritime claimants; any further changes in U.S. trade policy that could trigger retaliatory actions by the affected countries; potential disruption of shipping routes due to accidents, climate-related incidents, environmental factors, political events, public health threats, acts by terrorists or acts of piracy on ocean-going vessels; the impact of adverse weather and natural disasters; damage to storage and receiving facilities; potential liability from future litigation and potential costs due to environmental damage and vessel collisions; and the length and number of off-hire periods and dependence on third-party managers.

In the light of these risks and uncertainties, undue reliance should not be placed on forward-looking statements contained in this release because they are statements about events that are not certain to occur as described or at all. These forward-looking statements are not guarantees of our future performance, and actual results and future developments may vary materially from those projected in the forward-looking statements.

Except to the extent required by applicable law or regulation, the Company undertakes no obligation to release publicly any revisions or updates to these forward-looking statements to reflect events or circumstances after the date of this release or to reflect the occurrence of unanticipated events. Please see TORM's filings with the U.S. Securities and Exchange Commission for a more complete discussion of certain of these and other risks and uncertainties. The information set forth herein speaks only as of the date hereof, and the Company disclaims any intention or obligation to update any forward-looking statements as a result of developments occurring after the date of this communication.