

Pon Power A/S

Øresundsvej 9
6715 Esbjerg N

CVR no. 13 71 14 88

Annual report 2016

The annual report was presented and approved at the
Company's annual general meeting on

15 May 2017


Patrick Petrus Johannes Dorothea van Alem
chairman

Contents

Statement by the Board of Directors and the Executive Board	2
Independent auditor's report	3
Management's review	6
Company details	6
Financial highlights	7
Operating review	8
Financial statements	
Income statement	11
Balance sheet	12
Statement of changes in equity	14
Notes	15

Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of Pon Power A/S for the financial year 1 January – 31 December 2016.

The annual report has been prepared in accordance with the Danish Financial Statements Act.

It is our opinion that the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2016 and of the results of the Company's operations for the financial year 1 January – 31 December 2016.

Further, in our opinion, the Management's review gives a fair review of the development in the Company's activities and financial matters, of the results for the year and of the Company's financial position.

We recommend that the annual report be approved at the annual general meeting.

Esbjerg, 15 May 2017
Executive Board:

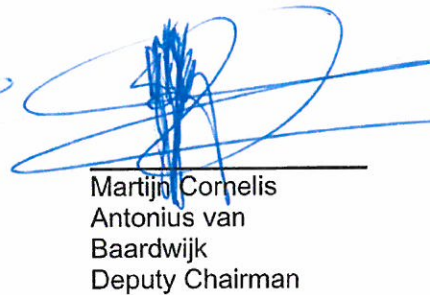


Kim Holdrup
CEO

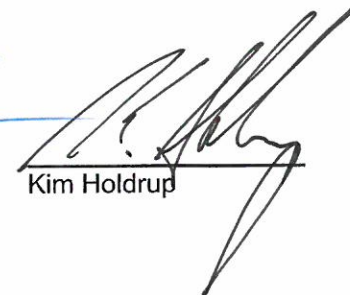
Board of Directors:



Patrick Petrus
Johannes Dorothea
van Alem
Chairman



Martijn Cornelis
Antonius van
Baardwijk
Deputy Chairman



Kim Holdrup



Independent auditor's report

To the shareholder of Pon Power A/S

Opinion

We have audited the financial statements of Pon Power A/S for the financial year 1 January – 31 December 2016 comprising income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2016, and of the results of the Company's operations for the financial year 1 January – 31 December 2016 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibility for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control that Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.



Independent auditor's report

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements in Denmark will always detect a material misstatement when it exists. Misstatements may arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also

- identify and assess the risks of material misstatement of the company financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other




Independent auditor's report

matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

København, 15 May 2017

KPMG

Statsautoriseret Revisionspartnerselskab
CVR no. 25 57 81 98


Per Ejning Olsen
State Authorised
Public Accountant

Pon Power A/S
Annual report 2016
CVR no. 13 71 14 88

Management's review

Company details

Pon Power A/S
Øresundsvej 9
6715 Esbjerg N

Telephone: 76146400
Website: www.pon-cat.com

CVR no.: 13 71 14 88
Established: 1 December 1989
Registered office: Esbjerg
Financial year: 1 January – 31 December

Board of Directors

Patrick Petrus Johannes Dorothea van Alem
Martijn Cornelis Antonius van Baardwijk
Kim Holdrup

Executive Board

Kim Holdrup

Auditors

KPMG
Statsautoriseret Revisionspartnerselskab
Dampfærgevej 28
2100 København Ø

Annual general meeting

The annual general meeting will be held on 15 May 2017 at the Company's address.

Management's review

Financial highlights

DKK'000	2016	2015	2014	2013	2012
Key figures					
Revenue	419,317	482,680	425,517	506,024	495,569
Gross profit/loss	89,541	135,623	114,830	155,349	148,848
Operating profit/loss	2,151	33,879	-1,555	22,815	26,017
Net financials	-580	-899	-2,895	-283	-280
Net profit/loss for the year	1,327	24,966	-3,683	16,622	19,289
Current assets	185,792	177,461	179,308	258,016	227,221
Balance sheet total	201,342	195,096	199,440	270,067	248,408
Investment in property, plant and equipment	560	281	1,795	2,322	1,796
Equity	99,258	97,931	72,965	76,648	160,026
Ratios					
Profit margin	0,5%	7,0%	0,0%	4,5%	5,2%
Return on invested capital	1,1%	34,6%	0,0%	8,7%	11,5%
Gross margin	21,4%	28,1%	27,0%	30,7%	30,0%
Current ratio	183,6%	180,4%	152,0%	128,0%	269,8%
Solvency ratio	49,3%	50,2%	36,6%	27,5%	64,4%
Return on equity	13,4%	29,2%	0,0%	14,0%	12,8%
Average number of full-time employees	126	139	172	182	165

The ratios have been prepared in accordance with the recommendations and guidelines issued by the Danish Society of Financial Analysts. For definitions, see under accounting policies.

Management's review

Operating review

Core activity

The primary activity of the Company is sale and servicing of Caterpillar's engine range within Caterpillar and MAK for the shipping and gas markets in Denmark and for Danish ships engaged in foreign trade. The Company's Danish operations are conducted from Esbjerg and Copenhagen. Operations at the Norwegian continental shelf are conducted by the Company's Norwegian branch.

Pon Power A/S is wholly owned by Pon Holding Denmark A/S, which is part of the Pon Group.

Development in the year

The market for engine and especially the aftermarket decreased significantly during 2016. Total revenue decreased by 15% due to decrease in sales of used engines and after market. The development has also resulted in a decrease of the average gross margin ratio.

Primarily as a result of this the result before financial income and expenses decrease from DKK 33.9 million in 2015 to DKK 2.3 million in 2016.

Equity including the profit for the year at 31 December 2016 amounted to DKK 99.3 million (2015: 97.9 million) corresponding to a solvency ratio of 49.3% (2015: 50.2%).

Special risks - operating risks and financial risks

The Company's earnings have in recent years become more volatile compared to the past, which is a result of the high volatility in some core markets, especially in the Oil & Gas industry.

The Company's earnings have been steadily good through the years based on a high aftersales portfolio and sensibility towards market and cyclical fluctuations is thereby reduced.

The shipping activities are primarily ruled by market terms and less by political agendas.

Energy systems are, to a higher extent, dependent on environment and energy political agendas as part of market terms.

The Company has functioned as an agent for Caterpillar for almost 50 years – and naturally our principal is therefore an important supplier and partner in the continued development of the business.

The risk profile of the Company is conservative – in the best sense of the word – accepting calculated risks on core activities within sale and servicing of Caterpillar's complete engine program.

Management's review

Operating review

Financial risks

The Company's exposure to currency and interest risk is modest and covered to the greatest possible extent.

The Company's exposure to credit risk is normal in this line of industry.

Corporate social responsibility

The Company has a Code of Conduct that states the policies and ethical guidelines regarding corporate social responsibilities within the Company. A human rights policy has not yet been developed. Code of Conduct is to be followed by all employees to ensure that the Company complies with existing laws and regulations. Being an ISO 14001 and OHSAS 18001 certified company, compliance with environmental legislation as well as compliance with occupational health and safety legislation are parts of the Company's policies.

As a dealer of engines and generator sets, Pon Power A/S operates in a business that has a substantial impact on the environment. This is recognised in the Company and underlines the necessity of having an environmental focus in the daily business. The Company's activities are all ISO 14001 certified, and the Company plays an active role in our customers' compliance with legislation, especially when it comes to emissions standards.

The Company's environmental policy focuses on development, marketing and sale of energy-efficient solutions as well as influencing suppliers to focus on environment. Compliance with current environmental legislation is also an important part of the policy.

Climate impact

Energy consumption is monitored and trends in consumption are analyzed on a regular basis. Waste management is in place and development in waste fractions is also followed. Pon Power A/S also holds an environmental approval and environmental operational control is performed according to requirements in this approval and according to internal requirements. Every year goals are set for our environmental performance, and annual reports presenting status on our environmental performance are published at our website (www.pon-cat.com).

In 2016 an environmental program was established with the defined goal to reduce amount of consumed paper and toner (compared to 2015 figures). The program consisted of several initiatives. Duplex (double-sided print) and grey scale printing was implemented as default settings where possible and electronic handling of incoming invoices was implemented in May 2016. The program was very successful and resulted in an overall reduction of 50 % in prints. The program continues in 2017 where we are focusing on electronic handling of outgoing invoices and statements.

Management's review

Operating review

Working environment

The Company keeps strong focus on the working environment. We measure the employee satisfaction twice a year. In 2016 we achieved a score of +29, and in 2017 our goal is to achieve a score of +35. In the survey we divide the satisfaction in three groups - promoters, passives and detractors. All named detractors are interviewed in order to continuously improve our working environment.

Statement on diversity on corporate boards

The gender quotation on the Board of Directors reflects the underlying ownership structure, whereas the management team is selected locally. In 2016 17% of the underrepresented gender is represented in local management. In future recruitments we will strive to further increase the level in local management, this we will do by focusing on ensuring that both men and women are amongst the candidates. In case of changes in the Board of Directors we will ensure the focus on the underrepresented gender in dialogue with the shareholders to increase the share.

Intellectual capital

The Company's ability to create value for customers and cooperators goes hand in hand with a continued development of our core values.

Sale and servicing of Caterpillar's complete engine program place heavy demands on both technical and personal skills.

The systematising of staff development meetings and the acquisition of new knowledge through training and practice is the key to preserve and strengthen the present competitiveness.

Outlook for 2017

For 2017, Management expect an increase in turnover and a positive net result.

Financial statements 1 January – 31 December

Income statement

DKK'000	Note	2016	2015
Revenue	2	419,317	482,680
Expenses for raw materials and consumables		-296,142	-319,381
Other external costs		-33,634	-27,676
Gross profit		89,541	135,623
Staff costs	3	-85,057	-99,075
Depreciation of property, plant and equipment	7	-2,333	-2,669
Ordinary operating profit		2,151	33,879
Other operating costs		148	-3
Profit before financial income and expenses		2,299	33,876
Financial income		3	111
Financial expenses	4	-583	-1,010
Profit before tax		1,719	32,977
Tax on profit/loss for the year	5	-392	-8,011
Profit for the year		1,327	24,966

Financial statements 1 January – 31 December

Balance sheet

DKK'000	Note	2016	2015
ASSETS			
Fixed assets			
Property, plant and equipment	7		
Land and buildings		12,714	13,232
Other fixtures and fittings, tools and equipment		2,473	3,728
		<u>15,187</u>	<u>16,960</u>
Investments			
Other receivables		363	675
		<u>363</u>	<u>675</u>
Total fixed assets		<u>15,550</u>	<u>17,635</u>
Current assets			
Inventories			
Work in progress		14,766	9,857
Finished goods and goods for resale		59,665	62,606
		<u>74,431</u>	<u>72,463</u>
Receivables			
Trade receivables		87,091	85,288
Receivables from group entities		5,522	8,784
Other receivables		5,936	4,385
Deferred tax asset		6,369	4,957
Prepayments		1,475	0
		<u>106,393</u>	<u>103,414</u>
Cash at bank and in hand		<u>4,968</u>	<u>1,584</u>
Total current assets		<u>185,792</u>	<u>177,461</u>
TOTAL ASSETS		<u><u>201,342</u></u>	<u><u>195,096</u></u>

Financial statements 1 January – 31 December

Balance sheet

DKK'000	Note	2016	2015
EQUITY AND LIABILITIES			
Equity	8		
Share capital		5,000	5,000
Retained earnings		94,258	92,931
Total equity		99,258	97,931
Provisions	9		
Other provisions		872	1,277
Total provisions		872	1,277
Current liabilities other than provisions			
Other credit institutions		14	254
Trade payables		39,777	19,635
Payables to subsidiaries		36,048	46,359
Corporation tax		1,730	9,465
Other payables		23,643	18,949
Deferred income		0	1,226
		101,212	95,888
Total liabilities other than provisions		101,212	95,888
TOTAL EQUITY AND LIABILITIES		201,342	195,096
Rental agreements and lease commitments	10		
Related parties and ownership	11		
Disclosure of events after the balance sheet date	12		

Financial statements 1 January – 31 December

Statement of changes in equity

DKK'000	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity at 1 January 2015	5,000	67,965	72,965
Profit for the year	<u>0</u>	<u>24,966</u>	<u>24,966</u>
Equity at 31 December 2015	5,000	92,931	97,931
Profit for the year	<u>0</u>	<u>1,327</u>	<u>1,327</u>
Equity at 31 December 2016	<u>5,000</u>	<u>94,258</u>	<u>99,258</u>

There have been no changes in the share capital during the last five years.

Financial statements 1 January – 31 December

Notes

1 Accounting policies

The annual report of Pon Power A/S for 2016 has been prepared in accordance with the provisions applying to reporting class C large under the Danish Financial Statements Act.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Omission of cash flow statement

Pursuant to section 86(4) of the Danish Financial Statements Act, no cash flow statement has been prepared. The Company's cash flows are included in the cash flow statement in the consolidated financial statements of Pon Holding B.V.

Foreign currency translation

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

Income statement

Revenue

Income from the sale of goods is recognised in revenue when delivery and transfer of risk to the buyer have taken place, and the income may be measured reliably and is expected to be received.

Revenue from the sale of goods where delivery has been postponed at the buyer's request is recognised as revenue when ownership of the goods has been transferred to the buyer.

Revenue is measured at the fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. All discounts granted are recognised in revenue.

Revenue from the sale of services is recognised on a straight-line basis in the income statement as the services are provided.

Services based on time spent are recognised in revenue as the work is performed.

Staff costs

Staff costs comprise wages and salaries, pensions, other social contribution and other

Financial statements 1 January – 31 December

Notes

payrol expenses.

Expenses for raw materials and consumables

Expenses for raw materials and consumables comprise costs to engines, spare parts and consumables.

Financial income and expenses

Financial income and expenses comprise interest income and expense, financial costs regarding finance leases, gains and losses on securities, payables and transactions denominated in foreign currencies, amortisation of financial assets and liabilities as well as surcharges and refunds under the on-account tax scheme, etc.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity. Entities with tax losses receive joint taxation contributions from entities that have been able to use tax losses to reduce their own taxable profits.

Balance sheet

Property, plant and equipment

Land and buildings and fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment. Depreciation is not provided on land.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use.

Depreciation is provided on a straight-line basis over the expected useful lives of the assets.

Property plant and equipment are written down to the recoverable amount if this is lower than the carrying amount.

Gains and losses on the disposal of property, plant and equipment are determined as the difference between the sales price less disposal costs and the carrying amount at the date of disposal. The gains or losses are recognised in the income statement as depreciation.

The carrying amount of property, plant and equipment is subject to an annual test for indications of impairment other than the decrease in value reflected by depreciation or amortisation.

Financial statements 1 January – 31 December

Notes

The estimated useful lives are as follows:

Buildings	40 years
Fixture and fittings, tools and equipment	3-5 years

Inventories

Inventories are measured at cost in accordance with the FIFO method. Where the net realisable value is lower than cost, inventories are written down to this lower value.

The net realisable value of inventories is calculated as the sales amount less costs of completion and costs necessary to make the sale and is determined taking into account marketability, obsolescence and development in expected selling price.

Receivables

Receivables are measured at amortised cost.

Write-down is made for bad debt losses where there is an objective indication that a receivable or a portfolio of receivables has been impaired. If there is an objective indication that an individual receivable has been impaired, a write-down is made.

Receivables with no objective indication of individual impairment are assessed for objective indication of impairment on a portfolio basis. The portfolios are primarily based on the debtors' registered offices and credit rating in accordance with the Company's credit risk management policy. The objective indicators used in relation to portfolios are determined on historical loss experience.

Write-downs are calculated as the difference between the carrying amount of receivables and the present value of the expected cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

Provisions

Provisions comprise anticipated costs related to warranties, losses on work in progress, restructuring, etc. Provisions are recognised when, as a result of past events, the Company has a legal or a constructive obligation, and it is probable that there may be an outflow of resources embodying economic benefits to settle the obligation. Provisions are measured at net realisable value. If the obligation is expected to be settled far into the future, the obligation is measured at fair value

Warranties comprise obligations to make good any defects within the warranty period of one to five years. Provisions for warranties are measured at net realisable value and recognised based on past experience. Provisions expected to be maintained for more than one year from the balance sheet date are discounted at the average bond interest

Pon Power A/S
Annual report 2016
CVR no. 13 71 14 88

Financial statements 1 January – 31 December

Notes

rate.

Financial statements 1 January – 31 December

Notes

Deferred tax assets and liabilities

Current tax payable and receivable is recognised in the balance sheet as joint tax contribution on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities based on the planned use of the asset or settlement of the liability.

Liabilities other than provisions

Liabilities are measured at net realisable value, which usually corresponds to the nominal value.

Leases

Payments relating to operating leases and other leases are recognised in the income statement over the term of the lease. The company's total obligation relating to operating leases and other leases is disclosed as contingent liabilities etc.

Financial Highlights overview

Explained key figures:

Profit margin	$\frac{\text{Profit before financials} \times 100}{\text{Revenue}}$
Return on invested capital	$\frac{\text{EBITA} \times 100}{\text{Working Capital} + \text{Fixed Assets}}$
Gross margin	$\frac{\text{Gross profit} \times 100}{\text{Revenue}}$
Current ratio	$\frac{\text{Current assets} \times 100}{\text{Current liabilities}}$
Solvency ratio	$\frac{\text{Equity at year end} \times 100}{\text{Total assets}}$
Return on equity	$\frac{\text{Net profit for the year} \times 100}{\text{Average equity}}$

Other operating costs

Other operating costs comprise items secondary to the activities of the entity, including

Financial statements 1 January – 31 December

Notes

losses on the disposal of intangible assets and property, plant and equipment.

Financial statements 1 January – 31 December

Notes

Prepayments

Prepayments comprise prepayment of costs incurred relating to subsequent financial years.

2 Revenue

DKK'000	2016	2015
Sale of new engines	49,510	35,008
Sale of used engines	21,355	61,285
Other	2,013	636
Aftermarket sales	346,439	385,751
	<u>419,317</u>	<u>482,680</u>

Revenue has generally been achieved in Denmark or on other markets, which do not deviate from this.

3 Staff costs

DKK'000	2016	2015
Wages and salaries	74,099	83,082
Other social security costs	7,166	8,526
Other staff costs	3,792	7,467
	<u>85,057</u>	<u>99,075</u>
Average number of employees	<u>126</u>	<u>139</u>

According to section 98 B of the Danish Financial Statement Act, remuneration to the Executive Board has not been disclosed. There has been no remuneration to the Board of Directors.

4 Financial expenses

DKK'000	2016	2015
Interest paid to affiliated companies	550	976
Other financial expenses	33	34
	<u>583</u>	<u>1,010</u>

5 Tax on profit/loss for the year

DKK'000	2016	2015
Current tax for the year	1,804	9,397
Deferred tax for the year	-1,412	-1,523
Adjustment of tax concerning previous years	0	137
	<u>392</u>	<u>8,011</u>

6 Proposed profit appropriation

Retained earnings	<u>1,327</u>	<u>24,966</u>
	<u>1,327</u>	<u>24,966</u>

7 Property, plant and equipment

DKK'000	Land and buildings	Other fixtures and fittings, tools and equipment	Total
Cost at 1 January 2016	22,286	23,212	45,498
Additions for the year	0	560	560
Cost at 31 December 2016	<u>22,286</u>	<u>23,772</u>	<u>46,058</u>
Impairment losses and depreciation at 1 January 2016	-9,054	-19,484	-28,538
Depreciation for the year	-518	-1,815	-2,333
Revaluations at 31 December 201#	-9,572	-21,299	-30,871
Carrying amount at 31 December 2016	<u>12,714</u>	<u>2,473</u>	<u>15,187</u>

8 Equity

The share capital consists of 50.000 shares of a nominal value of DKK 100 each. No shares carry any special rights.

There have been no changes in the share capital during the last 5 years.

9 Other provisions

DKK'000		Other provisions	Total
Balance at 1 January	<u>0</u>	<u>1,277</u>	<u>1,277</u>
Provisions for the year, net	<u>0</u>	<u>-405</u>	<u>-405</u>
	<u>0</u>	<u>872</u>	<u>872</u>

10 Rental agreements and lease commitments

DKK'000	<u>2016</u>	<u>2015</u>
Operating lease commitments		
Total future lease payments:		
Within 1 year	6,383	6,683
Between 2 and 4 years	9,296	13,927
	<u>15,679</u>	<u>20,610</u>

Issued bank guarantees amounted to DKK 2,108 thousand at 31 December 2016 (2015: DKK 4,052 thousand).

The Company is jointly taxed with the other Danish consolidated enterprises. As a consolidated enterprise, together with the other consolidated enterprises included in the joint taxation, the Company has joint and several unlimited liability for Danish corporation taxes and withholding taxes on dividends, interest and royalties. The jointly taxed companies' total known net liability in respect of corporation taxes and withholding taxes payable on dividends, interest and royalties amounted to DKK 1,928 thousand at 31 December 2016. Any subsequent corrections of income subject to joint taxation and withholding taxes, etc., may entail that the Company's liability will increase.

11 Related party disclosures

Pon Power A/S' related parties comprise the following:

Control

Pon Holding Denmark A/S, immediate Parent Company

The Company's ultimate Parent Company at 31 December 2016 that prepares a Group annual report in which the Company is included as a subsidiary is Pon Holdings B.V., The Netherlands.

Pon Holdings B.V., ultimate Parent Company

The Group annual report of the foreign Parent Company can be obtained at the following adress: Pon Holdings B.V., Putterstraatweg 5, 3862 RA Nijkerk, The Netherlands.

Other related parties

Pon Power A/S' related parties with controlling interest comprise companies within the Pon Holdings B.V. Group and the companies' boards of directors, chief executive officer and executive employees and their family members.

Further, related parties comprise companies in which the above persons have substantial interests.

Related party transactions

The Company has chosen only to disclose transactions that are not carried out on an arm's length basis in accordance with section 98c(7) of the Danish Financial Statements Act.

Ownership

According to the Company's register of shareholders, the following shareholders hold a minimum of 5% of the voting rights or a minimum of 5% of the share capital:

Pon Holding Denmark A/S, Øresundsvej 9, DK- 6715 Esbjerg N

12 Disclosure of events after the balance sheet date

No events have occurred since the balance sheet date, which materially affects the Company's financial position.