

# CC Tool Invest ApS

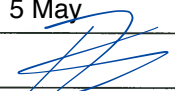
Baldersbuen 5  
2640 Hedehusene

CVR no. 35 87 58 24

## Annual report 2016

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

on 5 May 2017

  
\_\_\_\_\_  
chairman of the annual general meeting  
Peter Ryttergaard

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## 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 CC Tool Invest ApS for the financial year 1 January – 31 December 2016.

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

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the Group's and the Parent Company's assets, liabilities and financial position at 31 December 2016 and of the results of the Group's and the Parent Company's operations and consolidated cash flows 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 Group's and the Parent Company's activities and financial matters, of the results for the year and of the Group's and the Parent Company's financial position.


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

Hedehusene, 5 May 2017  
Executive Board:

  
Peter Ryttergaard

Board of Directors:

  
Jens Jørgen Hahn-  
Petersen  
Chairman

  
Vilhelm Eigil Hahn-  
Petersen

  
Peter Ryttergaard



## **Independent auditor's report**

### **To the shareholder of CC Tool Invest ApS**

#### **Opinion**

We have audited the consolidated financial statements and the parent company financial statements of CC Tool Invest ApS for the financial year 1 January – 31 December 2016 comprising income statement, balance sheet, statement of changes in equity and notes, including accounting policies, for the Group as well as for the Parent Company and a cash flow statement for the Group. The consolidated financial statements and parent company financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the Group's and the Parent Company's assets, liabilities and financial position at 31 December 2016 and of the results of the Group's and the Parent Company's operations and consolidated cash flows 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 consolidated financial statements and the parent company financial statements" section of our report. We are independent of the Group 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 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 consolidated financial statements and the parent company financial statements**

Management is responsible for the preparation of consolidated financial statements and parent company 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 consolidated financial statements and parent company financial statements that are free from material misstatement, whether due to fraud or error.



## **Independent auditor's report**

In preparing the consolidated financial statements and the parent company financial statements, Management is responsible for assessing the Group's and the Parent 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 consolidated financial statements and the parent company financial statements unless Management either intends to liquidate the Group or the Company or to cease operations, or has no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the consolidated financial statements and the parent company financial statements**

Our objectives are to obtain reasonable assurance as to whether the consolidated financial statements and the parent company 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 consolidated financial statements and parent company 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 consolidated financial statements and the parent 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 Group's and the Parent Company's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management



## **Independent auditor's report**

- conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the consolidated financial statements and the parent company 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 Group's and the Parent 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 consolidated financial statements and the parent company 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 Group and the Company to cease to continue as a going concern
- evaluate the overall presentation, structure and contents of the consolidated financial statements and the parent company financial statements, including the disclosures, and whether the consolidated financial statements and the parent company financial statements represent the underlying transactions and events in a manner that gives a true and fair view
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other 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.

### **Statement on the Management's review**

Management is responsible for the Management's review.

Our opinion on the consolidated financial statements and the parent company financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements and the parent company financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the consolidated financial statements or the parent company financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review provides the information required under the Danish Financial Statements Act.



## Independent auditor's report

Based on the work we have performed, we conclude that the Management's review is in accordance with the consolidated financial statements and the parent company financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of the Management's review.

Copenhagen, 5 May 2017

**KPMG**

Statsautoriseret Revisionspartnerselskab  
CVR no. 25 57 81 98

Henrik O. Larsen  
State Authorised  
Public Accountant

Klaus Rytz  
State Authorised  
Public Accountant

## Management's review

### Financial highlights for the Group

DKK m	2016	2015 (*)
Revenue	863	476
Gross profit	442	226
<b>EBITDA (normalised)</b>	<b>262</b>	<b>153</b>
Depreciation	-169	-86
<b>EBITA (normalised)</b>	<b>93</b>	<b>67</b>
Amortisation	-18	-10
<b>EBIT (normalised)</b>	<b>75</b>	<b>57</b>
Integration costs and "non-recurring costs"	-9	-6
Ordinary profit	75	51
Net financials	-21	-12
Profit for the year	40	30
Total assets	1.577	1,078
CAPEX	-181	-168
Equity	489	406
Cash flows from operating activities	224	158
Cash flows from investing activities	-515	-496
Cash flows from financing activities	332	395
Total cash flows	68	30
Gross margin	51%	47%
EBITDA margin (normalised)	30%	32%
EBITA margin (normalised)	11%	14%
EBIT margin (normalised)	9%	12%
Profit margin	9%	7%
Return on assets	5%	5%
Acid test	57%	95%
Return on equity	8%	8%
Solvency ratio	31%	38%
Average number of full-time employees	400	258

\* The figures for 2015 relate to the period from the acquisition of the G.S.V. Group on 20 April 2015 to 31 December 2015.

Financial ratios are calculated in accordance with the Danish Society of Financial Analysts' guidelines on the calculation of financial ratios "Recommendations and Financial Ratios 2015". For terms and definitions, please see the accounting policies.



## Management's review

### Operating review

CC Tool Invest ApS owns 36.72% of G.S.V. Holding A/S. Upon shareholders' agreement, the private equity fund CataCap has controlling interest of the Company. The purpose of the ownership structure is to ensure Management's full commitment in order to capitalise on the Company's full potential.

CataCap is a member of the Danish Venture Capital and Private Equity Association ("DVCA") and subject to the guidelines issued by DVCA available at DVCA's website, [www.dvca.dk](http://www.dvca.dk). These guidelines issued in June 2008, with subsequent modifications, recommend extended coverage of a number of factors in annual reports, including corporate governance, financial risks, employee relations and strategy.

As a private equity portfolio company, GSV Holding therefore follows these recommendations.

### Principal activities of the Company

The main activity of the Company is to own the shares in the subsidiary G.S.V. Holding A/S and its subsidiary, G.S.V. Materieludlejning A/S (hereinafter G.S.V.). G.S.V. is the market leader within rental equipment for building and construction. The main activity consists of rental of earthmoving and construction equipment, site and office huts, mobile huts, pavilions, lifts, cranes, platforms and scaffolding to the building and construction industry, the industrial sector, the service sector and the public sector. The Company operates 19 branches across Denmark with the broadest product range in the rental industry and had 405 employees at the end of 2016. For further information, visit the Company's website at [www.gsv.dk](http://www.gsv.dk).

### Acquisitions during 2016

In April 2016, G.S.V. acquired Bramsnæs Entreprenørmaskiner ApS and A. Linnet og Sønner A/S (hereinafter Bramsnæs). In October 2016, G.S.V. acquired Bilsby Vamdrup A/S and Bilsby Hedehusene A/S (hereinafter Bilsby).

## Management's review

### Operating review

#### Development in activities and financial position

##### *Group*

The acquisitions of Bramsnæs and Bilsby support the overall G.S.V. strategy of being a one-stop-shop rental business with a number one or two position in each of the segments we operate in. With the acquisition of Bramsnæs, G.S.V. becomes a strong participant in the market for heavy equipment with operator. In combination with the earthmoving and construction equipment from G.S.V., the combined business will have the capacity to support our customers with a broader range of high-quality equipment and services. The acquisition of Bilsby strengthens G.S.V.'s position in the market for pavilions and modular space. The combined business has extensive experience in project management and designing tailor-made pavilion and modular space arrangements for our customers. The acquisition of Bilsby has doubled the production capacity of pavilions and modular space.

Total revenue for the year amounted to DKK 863 million compared to DKK 644 million in 2015. The organic growth was 3%. In 2016, the Group realised EBITDA before integration and non-recurring costs of DKK 271 million compared to DKK 190 million in 2015.

Integration and non-recurring costs relate to the acquisition and merger of the acquired companies.

Effective from 1 January 2016, G.S.V. Materieludlejning A/S, Bramsnæs and Bilsby A/S have been merged into one company under the name G.S.V. Materieludlejning A/S.

The cash flow for the year amounted to DKK 41 million and was affected by substantial investments in rental equipment and acquisitions of companies.

The Group's credit facilities include covenants, which all have been met.

The annual report will be available on the Company's website, [www.gsv.dk](http://www.gsv.dk).

During the year, the average number of employees has increased from 258 in 2015 to 400 in 2016. Thereof, acquired companies added 110 employees.

The profit for the year is considered satisfactory.

For further information, reference is made to the income statement, cash flow statement and balance sheet with related notes.

## Management's review

### Operating review

#### Investments

G.S.V. prioritises to offer an updated and functional fleet in order to support being the customers' preferred rental partner.

During 2016, the Group made investments in rental equipment of DKK 202 million. This includes investments from acquired companies before takeover.

#### Capital resources

The Group has secured financing to meet the expected growth in 2017.

#### Outlook

The focus in 2016 has been integration of the acquired companies and to formulate a comprehensive strategy for the consolidated company. It is expected that the 2017 results will increase based on implementation of the strategic plan.

#### Risks

The majority of the Company's customers operate in the building and construction sector, where the production output is dependent on the macroeconomic cycle. This may affect the Company's sales and thus earnings. Moreover, the Company depends on securing necessary funding on competitive terms. The Company's Executive Board and Board of Directors continuously address the development of the business in respect of customers and market to identify potential risks and to ensure that the Company has adequate resources allocated to adapt to the macroeconomic cycle.

#### *Financial risks*

The Group's financing structure is common for private equity-owned groups. The Executive Board and Board of Directors regularly evaluate whether the capital structure of the Group supports the strategy and targets and supports long-term sustainable growth. The Company is financed through equity and long-term committed banking facilities. The solvency at 31 December 2016 is more than 33% at group level. The Company does not engage in financial transactions or use financial instruments that do not support the underlying business. At the balance sheet date, the net interest-bearing debt amounted to DKK 785 million, which is considered an appropriate level.

## Management's review

### Operating review

#### Corporate governance

The Executive Board and Board of Directors constantly monitor the management structure and control systems of the Company to ensure that they are appropriate and well-functioning.

The tasks of the Executive Board are based on the Danish Companies Act, the Danish Financial Statements Act, the articles of association and the rules of procedure of the Board of directors and Executive Board. Further, due to its status as a company partly owned by a capital fund, the Company is also subject to DVCA's code for responsible ownership and good corporate management. Based on this, a set of internal procedures have been developed and are continuously updated to secure active, safe and profitable governance.

The Company is owned by the private equity fund CataCap. Through a co-investment agreement, the Company has control over 85% of the capital and 83% of the votes in G.S.V. Holding A/S. The co-investors consist of Danica Pension, Access Capital Partners and Lacombe. The remaining 17% shareholding is owned by the wider management team.

The composition of the Board of Directors is described below.

The Board of Directors monitors and ensures that the Executive Board follows the agreed objectives, strategies and business procedures. Updates from the Executive Board take place systematically at meetings and through written and verbal reports. The Board of Directors considers that the above, along with internal procedures, provides for adequate and effective risk management and appropriate internal controls.

Board meetings follow a fixed schedule with at least six annual meetings, one of which deals with strategy where visions, goals and strategic plans are defined.

The chairmanship has a close and continuous dialogue with the Executive Board of the Company.

To attract and retain managerial talents and competence in the Company, the remuneration of the Executive Board and other executives is determined based on tasks, value creation and conditions in comparable companies and has an element of performance-related fee.

The Board of Directors has decided to not establish an audit committee but to take on the audit committee tasks jointly. Consequently, the chairman of the Board of Directors is also the chairman of the Audit Committee. The Board's decision to take on the audit committee tasks jointly should be viewed in the light of the Company's size, transparency of reporting and clear procedures.

## Management's review

### Operating review

#### *Strategy*

The strategy is to be the one-stop-shop rental business partner, where G.S.V. Materieludlejning A/S is the customers' preferred rental partner in respect of rental of earthmoving and construction equipment, site and office huts, mobile huts, pavilions, lifts, cranes, platforms and scaffolding to the building and construction industry, the industrial sector, the service sector and the public sector.

The Board is focused on strategy execution including ensuring that required resources are available, appropriate control systems are effective, ensuring a good work environment, while also responsibly meeting its obligations to shareholders. The Board regularly reviews the Company's short-term and long-term strategies and assesses a wide range of business activities, taking a more in-depth look at certain particularly critical business areas.

The corporate social responsibility forms an integrated part of the Company's values and business strategy. The Company has drawn up a corporate social responsibility policy, which is described in our employee handbook and presented to all employees. Further, the Company holds a DRA certification.

DRA certification is tailored to rental companies and builds on ISO 9001, ISO 14001, OHSAS 18001 and lift control and machine control schemes. In addition to checking the safety of products and quality, DRA certification includes all the workflows and business processes that are important in respect of quality, environment and safety. Certification and control are handled by the independent Force Technology.

A part of the DRA certification relates to rental companies' environmental management. With intervals not exceeding three years, environmental impacts are identified. In addition, in each company, an environmental organisation prepares a ranking of the most significant environmental impacts at least once a year. These priorities should form part of Management's basis for decisions on environmental performance.

G.S.V. focuses on the energy consumption of equipment and buildings, general resources, hazardous waste management and facilities to avoid wastage. The goal is to reduce G.S.V.'s consumption and environmental impact as much as possible.

Under DRA, Management must ensure the establishment of a working organisation by WEA rules.

In addition, we have prepared a contingency plan that as a minimum relates to accidents, fires, gas leaks, explosions and pollution. At least once a year, GSV conducts emergency drills, which ensures that employees always know how to act in case of accidents and incidents.

G.S.V.'s safety management also includes procedures for handling chemicals, a smoking policy and a guarantee that the employees always have appropriate protective equipment available.

## Management's review

### Operating review

#### *Human rights*

The Company recognises international human rights such as the right to education and freedom of speech and ensures that no discrimination based on race, religion or political opinion takes place.

We make demands with our vendors that their employees (as well as our own) have the same rights as under Danish legislation. In addition, we stress to our vendors that they have the responsibility to report employee salaries to the Danish authorities and that we reserve the right to confirm compliance through inspection of documentation.

Management is not aware of any violation of the policy during 2016.

#### *Anti-corruption*

The Group recognises the need to ensure that we act according to high ethical standards and clearly forbid the participation in any kind of bribery or facility payments – both directly and indirectly. Furthermore, we provide guidance to employees on how to react if and when offered extraordinary gifts. Management is not aware of any violation of the anti-corruption policy during 2016.

The Board of Directors and the Executive Board are observant of legislation pertaining to competition law. There is high management focus on this matter. In 2016, the broader management team and sales organisation received training pertaining to the "dos and don'ts" in respect of commercial activities from a competitive law perspective.

#### *Environmental matters*

The Company recognises the need for maintaining a sustainable environment and is committed to obey and follow local environment laws and regulations of the countries in which we operate. Management is not aware of any violation of environmental laws and regulations in Denmark during 2016.

G.S.V. has a strong focus on the energy consumption of equipment and buildings, general resources, hazardous waste management and facilities to avoid wastage. The goal is to reduce G.S.V.'s consumption and environmental impact as much as possible. When following the DRA, Management must ensure the establishment of a working organisation in accordance with the WEA rules.

## Management's review

### Operating review

#### *Goals and policies for the underrepresented gender*

G.S.V. does not accept discrimination, either in relation to working and employment conditions or women's opportunities in the Company, and we do not attach importance to either gender, race or religion, etc., when hiring and promoting employees.

However, our industry is male-dominated, which is reflected in a limited number of female employees (both in absolute terms and proportionately) at all levels.

For the underrepresented gender, we have therefore set a target for the Board of Directors, while we try to increase the number of women at other levels of management by means of an equal opportunities policy to provide women with the same opportunities as men to utilise their skills and obtain management responsibility.

The share of the underrepresented gender on the Board of Directors is 0% at 31 December 2016. The target is that the share of women should be at least 20% no later than in 2020. The requirements for the board members' qualifications are always determined based on the Company's needs and are equal for all, regardless of gender.

## Consolidated financial statements and parent company financial statements 1 January – 31 December

### Income statement

DKK'000	Note	Group		Parent Company	
		2016	2015	2016	2015
<b>Revenue</b>		862,862	475,993	0	0
Direct costs		-365,812	-227,127	0	0
Other operating income		17,221	11,705	0	0
Other external costs		-71,950	-34,976	-78	-10
<b>Gross profit</b>		442,321	225,595	-78	-10
Staff costs	4	-180,213	-78,644	0	0
Depreciation on property, plant and equipment and amortisation of intangible assets	5	-187,194	-95,536	0	0
<b>Profit/loss before financial income and expenses</b>		74,914	51,415	-78	-10
Financial income	6	381	336	1,500	0
Financial expenses		-21,744	-12,197	-680	-1,452
<b>Profit/loss before tax</b>		53,551	39,554	742	-1,462
Tax on profit/loss for the year	7	-13,872	-9,362	-344	344
<b>Profit/loss for the year</b>	8	39,679	30,192	398	-1,118



## Consolidated financial statements and parent company financial statements 1 January – 31 December

### Balance sheet

DKK'000	Note	Group		Parent Company	
		2016	2015	2016	2015
<b>ASSETS</b>					
<b>Fixed assets</b>					
<b>Intangible assets</b>					
	9				
Software		9,330	0	0	0
Goodwill		336,417	284,718	0	0
Development costs		134	0	0	0
		<u>345,881</u>	<u>284,718</u>	<u>0</u>	<u>0</u>
<b>Property, plant and equipment</b>					
	10				
Rental equipment		950,282	614,055	0	0
Fixtures and fittings, tools and equipment		19,033	15,358	0	0
Leasehold improvements		12,873	8,190	0	0
		<u>982,188</u>	<u>637,603</u>	<u>0</u>	<u>0</u>
<b>Investments</b>					
Investments in subsidiaries	11	0	0	159,414	148,671
Deferred tax assets		0	476	0	344
Deposits	12	5,174	3,074	0	0
		<u>5,174</u>	<u>3,550</u>	<u>159,414</u>	<u>149,015</u>
<b>Total fixed assets</b>		<u>1,333,243</u>	<u>925,871</u>	<u>159,414</u>	<u>149,015</u>
<b>Current assets</b>					
<b>Inventories</b>					
Goods for resale and spare parts		22,301	14,317	0	0
		<u>22,301</u>	<u>14,317</u>	<u>0</u>	<u>0</u>
<b>Receivables</b>					
	13				
Trade receivables		139,569	106,658	0	0
Receivables from group entities		0	0	89,428	0
Other receivables		12,025	1,115	11,572	0
Tax receivable		141	141	0	0
Prepayments		1,615	2,827	0	0
		<u>153,350</u>	<u>110,741</u>	<u>101,000</u>	<u>0</u>
<b>Cash at bank and in hand</b>		<u>68,421</u>	<u>27,209</u>	<u>0</u>	<u>377</u>
<b>Total current assets</b>		<u>244,072</u>	<u>152,267</u>	<u>101,000</u>	<u>377</u>
<b>TOTAL ASSETS</b>		<u>1,577,315</u>	<u>1,078,138</u>	<u>260,414</u>	<u>149,392</u>

## Consolidated financial statements and parent company financial statements 1 January – 31 December

### Balance sheet

DKK'000	Note	Group		Parent Company	
		2016	2015	2016	2015
<b>EQUITY AND LIABILITIES</b>					
<b>Equity</b>					
Share capital	14	1,100	1,000	1,100	1,000
Retained earnings		178,458	155,780	158,680	148,382
<b>Shareholder's part of equity</b>		<b>179,558</b>	<b>156,780</b>	<b>159,780</b>	<b>149,382</b>
Non-controlling interest		309,436	249,095	0	0
<b>Total equity</b>		<b>488,994</b>	<b>405,875</b>	<b>159,780</b>	<b>149,382</b>
<b>Provisions</b>					
Provisions for deferred tax	15	94,540	51,901	0	0
<b>Total provisions</b>		<b>94,540</b>	<b>51,901</b>	<b>0</b>	<b>0</b>
<b>Liabilities other than provisions</b>					
<b>Non-current liabilities other than provisions</b>					
Banks	16	300,416	237,818	0	0
Lease obligations		265,606	203,572	0	0
Other debt		0	20,000	0	0
		566,022	461,390	0	0
<b>Current liabilities other than provisions</b>					
Current portion of non-current liabilities	16	196,018	67,812	0	0
Banks		100,598	0	100,563	0
Prepayments received from customers		8,594	0	0	0
Payables to group entities		9	0	9	0
Payables to associates		0	0	31	0
Trade payables		70,269	61,058	0	0
Corporation tax		16,844	12,695	0	0
Other payables		35,427	17,407	31	10
		427,759	158,972	100,634	10
<b>Total liabilities other than provisions</b>		<b>993,781</b>	<b>620,362</b>	<b>100,634</b>	<b>10</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,577,315</b>	<b>1,078,138</b>	<b>260,414</b>	<b>149,392</b>
<b>Segment information</b>					
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## Consolidated financial statements and parent company financial statements 1 January – 31 December

### Statement of changes in equity

DKK'000	Group				
	Share capital	Retained earnings	Total	Non-controlling interests	Total equity
<b>Equity at 2 March 2015</b>	50	450	500	794	1,294
Share capital increase	950	144,388	145,338	230,916	376,254
Transferred over the profit appropriation	0	10,942	10,942	17,385	28,327
<b>Equity at 1 January 2016</b>	1,000	155,780	156,780	249,095	405,875
Share capital increase	100	9,900	10,000	17,233	27,233
Acquisition of non-controlling interest	0	-1,792	-1,792	17,999	16,207
Transferred over the profit appropriation	0	14,570	14,570	25,109	39,679
<b>Equity at 31 December 2016</b>	1,100	178,458	179,558	309,436	488,994

Changes in the share capital during the past five years can be specified as follows:

DKK'000	2016
Balance at 2 March 2015	50
Share capital increase in 2015	950
Share capital increase in 2016	100
	1,100

DKK'000	Parent company		
	Share capital	Retained earnings	Total
<b>Equity at 2 March 2015</b>	50	450	500
Share capital increase	950	149,050	150,000
Transferred over the distribution of loss	0	-1,118	-1,118
<b>Equity at 1 January 2016</b>	1,000	148,382	149,382
Share capital increase	100	9,900	10,000
Transferred over the profit appropriation	0	398	398
<b>Equity at 31 December 2016</b>	1,100	158,680	159,780

## Consolidated financial statements and parent company financial statements 1 January – 31 December

### Cash flow statement

DKKm	Note	Group	
		2016	2015
Profit for the year before tax		54	40
Depreciation, amortisation and impairment losses		187	96
Non-cash items		-31	0
Cash generated from operations before changes in working capital		210	136
Changes in working capital		14	3
Cash generated from operations		224	139
Corporation tax paid		0	-1
<b>Cash flow from operating activities</b>		<b>224</b>	<b>138</b>
Acquisition of intangible assets		-7	-294
Acquisition of property, plant and equipment		-181	-168
Disposal of property, plant and equipment		33	29
Acquisition of subsidiaries and activities		-360	0
<b>Cash flows from investing activities</b>		<b>-515</b>	<b>-433</b>
External financing:			
Capital increase		10	145
Financial lease		56	50
Long-term debt		165	154
Banks		101	0
<b>Cash flows from financing activities</b>		<b>332</b>	<b>349</b>
<b>Cash flows for the year</b>		<b>41</b>	<b>54</b>
Cash and cash equivalents at the beginning of the year		27	-27
<b>Cash and cash equivalents at year end</b>		<b>68</b>	<b>27</b>

## Consolidated financial statements and parent company financial statements 1 January – 31 December

### Notes

#### 1 Accounting policies

The annual report of CC Tool Invest ApS for 2016 has been prepared in accordance with the provisions applying to reporting class C large entities under the Danish Financial Statements Act.

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

Comparative figures are not comparable as the comparative figures only covers the period from 2 March to 31 December 2015.

As from 1 January 2016, the Company has implemented Act no. 738 of 1 June 2015. The changes has no effect on the profit/loss or total assets for 2016 or on the comparative figures.

#### Consolidated financial statements

The consolidated financial statements comprise the Parent Company, CC Tool Invest ApS, and subsidiaries in which CC Tool Invest ApS directly or indirectly holds more than 50% of the votes or in some other way exercises control. Entities in which the Group holds between 20% and 50% of the votes and exercises significant influence but not control are considered associates.

On consolidation, intra-group income and expenses, shareholdings, intra-group balances and dividends and realised and unrealised gains and losses on intra-group transactions are eliminated.

Equity investments in subsidiaries are set off against the proportionate share of subsidiaries' fair value of net assets and liabilities at the date of acquisition.

#### Business combinations

When acquiring new entities, the purchase method is applied under which identifiable assets and liabilities are measured at fair value at the date of acquisition. Restructuring costs recognised in the acquirer at the acquisition date that are not a part of the acquisition are included in the pre-acquisition balance sheet and thus the determination of goodwill. Restructuring that is adopted after the acquisition is recognised in the income statement. The tax effect of revaluations is recognised as deferred tax.

Positive differences (goodwill) between cost and the fair value of identifiable assets and liabilities acquired, including restructuring provisions, are recognised as intangible assets and amortised systematically in the income statement based on an individual assessment of the useful life. Negative goodwill is recognised as income in the income statement at the acquisition date when the usual conditions for recognition of income are met.

## Consolidated financial statements and parent company financial statements 1 January – 31 December

### Notes

#### 1 Accounting policies (continued)

Goodwill and negative goodwill from acquired entities may be adjusted until 12 months after the acquisition date.

Newly acquired or newly established entities are recognised in the consolidated financial statements at the date of acquisition or establishment. Divested or wound-up entities are recognised in the consolidated income statement up to the date of divestment or winding-up. Comparative figures are not restated to reflect acquisitions, divestments or windings-up.

The uniting-of-interests method is applied to business combinations such as the acquisition and disposal of equity investments, mergers, demergers, contribution of assets, share exchanges, etc., between entities controlled by the Parent Company. The uniting of interests is considered to have been completed at the date of the acquisition without restatement of comparative figures. Differences between the agreed consideration and the carrying amount of the acquired entity is recognised in equity.

Gains or losses on the divestment of subsidiaries and associates are calculated as the difference between the sales amount and the carrying amount of net assets at the date of disposal, including non-amortised goodwill and projected costs of divestment or winding-up.

#### Non-controlling interests

Items of subsidiaries are fully recognised in the consolidated financial statements. The non-controlling interests' proportionate share of the subsidiaries' profit and of equity is included as part of the Group's profit and equity, respectively, but is presented separately.

#### Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables, 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.

## Consolidated financial statements and parent company financial statements 1 January – 31 December

### Notes

#### 1 Accounting policies (continued)

##### Income statement

###### Revenue

Revenue from equipment rental is recognised in the income statement in accordance with the completed contract method. Cut-off is made for pre-invoicing. Revenue is calculated excluding VAT and other duties.

All discounts granted are recognised in revenue.

Rental revenue and revenues from services related to the rental income are recognised in the period when the service is rendered to the customer.

Revenue is recognised when the significant risks and rewards incident to ownership have been transferred to the buyer, and the Company no longer retains control or managerial involvement in the equipment, machinery, etc.

###### Direct costs

Direct costs include costs that are directly related to the activity such as purchase of equipment and transport costs.

###### Other external costs

Other external costs comprise items secondary to the activities of the entities.

###### Other operating income

Other operating income comprises items secondary to the activities of the entities, including gains on the disposal of equipment.

###### Staff costs

Staff costs comprise salaries and wages, including holiday allowance, pension and other social security costs, etc., to the Company's employees excluding refunds from public authorities.

## Consolidated financial statements and parent company financial statements 1 January – 31 December

### Notes

#### 1 Accounting policies (continued)

##### **Amortisation, depreciation and impairment losses**

Amortisation, depreciation and impairment losses comprise the year's amortisation, depreciation and impairment of intangible assets, rental equipment, fixtures and fittings, tools and equipment and leasehold improvements.

##### **Financial income and expenses**

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year. Financial income and expenses comprise interest income and expense, payables and transactions 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**

The Parent Company is subject to compulsory joint taxation. The subsidiaries are included in the joint taxation from the date when they are included in the consolidated financial statements and up to the date when they are excluded from the consolidation.

The Parent Company is the administrative company for the joint taxation and accordingly settles all payments of corporation tax to the tax authorities.

On payment of joint taxation contributions, current Danish corporation tax is allocated between the jointly taxed entities in proportion to their taxable income. Entities with tax losses receive joint taxation contributions from entities that have used the losses to reduce their own taxable profit.

Tax for the year comprises current tax for the year and changes in deferred tax, including changes in tax rates. The tax expense relating to the profit/loss for the year is recognised in the income statement at the amount attributable to the profit/loss for the year and directly in equity at the amount attributable to entries directly in equity.



## Consolidated financial statements and parent company financial statements 1 January – 31 December

### Notes

#### 1 Accounting policies (continued)

#### Balance sheet

##### Intangible assets

###### *Development projects*

Development costs comprise costs, wages, salaries and amortisation directly and indirectly attributable to development activities.

###### *Software*

Acquired software is measured at cost less amortisation. Software is amortised on a straight-line basis over the expected useful life, which is estimated to be 3-7 years.

###### *Goodwill*

Goodwill is amortised on a straight-line basis over the estimated useful life determined on the basis of Management's experience within the individual business areas. The maximum amortisation period is 20 years and longest for strategically acquired entities with a strong market position and long-term earnings profile.

Gains and losses on the disposal of intangible assets are determined as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses are recognised in the income statement as other operating income or other operating costs, respectively.

##### Property, plant and equipment

Rental equipment and other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date on which the asset is available for use. Indirect production overheads and borrowing costs are not recognised in cost.

Where individual components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items, which are depreciated separately.

## Consolidated financial statements and parent company financial statements 1 January – 31 December

### Notes

#### 1 Accounting policies (continued)

The basis of depreciation is cost less any projected residual value after the end of the useful life. Depreciation is provided on a straight-line basis over the estimated useful life. The estimated useful lives are as follows:

Rental equipment	4-12 years
Fixtures and fittings, tools and equipment	3-25 years
Leasehold improvements	3-25 years

The useful life and residual value are reassessed annually. Changes are treated as accounting estimates, and the effect on depreciation is recognised prospectively.

Depreciation is recognised in the income statement as production costs, distribution costs and administrative expenses, respectively.

Gains and losses on the disposal of property, plant and equipment are stated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses are recognised in the income statement as other operating income or other operating costs, respectively.

#### Leases

On initial recognition, leases for fixed assets that transfer substantially all risks and rewards incident to ownership to the Company (finance leases) are recognised in the balance sheet at the lower of fair value and the net present value of future lease payments. When the net present value is calculated, the interest rate implicit in the lease or the incremental borrowing rate is used as the discount factor. Assets held under finance leases are subsequently depreciated as the Company's other fixed assets.

The capitalised lease obligation is recognised in the balance sheet as a liability at amortised cost, allowing the interest element of the lease payment to be recognised in the income statement over the term of the lease.

All other leases are operating 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 contractual obligations and contingencies, etc.

#### Investments

Investments comprise lease deposits.

Equity investments in group entities and associates are measured at cost. In case of indication of impairment, an impairment test is conducted. When the cost exceeds the recoverable amount, write-down is made to this lower value.

Other receivables and deposits are recognised at amortised cost.

## Consolidated financial statements and parent company financial statements 1 January – 31 December

### Notes

#### 1 Accounting policies (continued)

##### Impairment of fixed assets

The carrying amount of intangible assets and property, plant and equipment as well as equity investments in group entities and associates is subject to an annual test for indications of impairment other than the decrease in value reflected by depreciation or amortisation.

Impairment tests are conducted of individual assets or groups of assets when there is an indication that they may be impaired. Write-down is made to the recoverable amount if this is lower than the carrying amount.

The recoverable amount is the higher of an asset's net selling price and its value in use. The value in use is determined as the present value of the forecast net cash flows from the use of the asset or the group of assets, including forecast net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Previously recognised write-downs are reversed when the basis for the write-down no longer exists. Write-down of goodwill is not reversed.

##### 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.

Goods for resale and raw materials and consumables are measured at cost, comprising purchase price plus delivery costs.

##### 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, write-down is made on an individual basis.

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 the basis of historical loss experience.

Write-downs are calculated as the difference between the carrying amount of receivables and the present value of forecast 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.

## Consolidated financial statements and parent company financial statements 1 January – 31 December

### Notes

#### 1 Accounting policies (continued)

##### Prepayments

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

##### Securities and equity investments

Other securities and equity investments included in investment comprise unlisted shares that Management considers investment securities. The equity investments are measured at cost.

Other securities and equity investments recognised as current assets comprise listed securities measured at fair value at the balance sheet date, corresponding to market value.

##### Equity

###### *Dividends*

The expected dividend payment for the year is disclosed as a separate item under equity.

##### Corporation tax and deferred tax

The Company is jointly taxed with G.S.V Materieludlejning A/S and G.S.V. Holding A/S.

Current tax payable and receivable is recognised in the balance sheet as tax computed 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 measured on the planned use of the asset or settlement of the liability, respectively. However, deferred tax is not recognised on temporary differences relating to goodwill non-deductible for tax purposes and on office premises and other items where the temporary differences arise at the date of acquisition without affecting either profit/loss or taxable income.

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised at the expected value of their utilisation within the foreseeable future; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Any deferred net assets are measured at net realisable value.

Deferred tax is measured in accordance with the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Changes in deferred tax as a result of changes in tax rates are recognised in the income statement or equity, respectively.

## Consolidated financial statements and parent company financial statements 1 January – 31 December

### Notes

#### 1 Accounting policies (continued)

##### Liabilities other than provisions

Financial liabilities are recognised at the date of borrowing at cost, corresponding to the proceeds received less transaction costs paid. In subsequent periods, the financial liabilities are measured at amortised cost, corresponding to the capitalised value using the effective interest rate. Accordingly, the difference between cost and the nominal value is recognised in the income statement over the term of the loan together with interest expenses.

Finance lease obligation comprise the capitalised residual lease obligation of finance leases.

Other liabilities are measured at net realisable value.

##### Cash flow statement

The cash flow statement shows the Group's cash flows from operating, investing and financing activities for the year, the year's changes in cash and cash equivalents as well as the Group's cash and cash equivalents at the beginning and end of the year.

The cash flow effect of acquisitions and divestment of entities is shown separately in cash flows from investing activities. Cash flows relating to acquired entities are recognised in the cash flow statement from the date of acquisition, and cash flows relating to divested entities are recognised up to the date of divestment.

##### Cash flows from operating activities

Cash flows from operating activities are calculated as the profit/loss for the year adjusted for non-cash operating items, changes in working capital and corporation tax paid.

##### Cash flows from investing activities

Cash flows from investing activities comprise payments in connection with acquisitions and disposals of entities and activities, intangible assets, property, plant and equipment and investments.

##### Cash flows from financing activities

Cash flows from financing activities comprise changes in size or composition of the Company's share capital and costs in this respect as well as raising of loans, instalments on interest-bearing debt and distribution of dividend to owners.

## Consolidated financial statements and parent company financial statements 1 January – 31 December

### Notes

#### 1 Accounting policies (continued)

##### Cash and cash equivalents

Cash and cash equivalents comprise cash and short-term marketable securities with a term of three months or less which are easily convertible into cash and which are subject to only an insignificant risk of changes in value.

##### Financial ratios

Financial ratios are calculated in accordance with the Danish Society of Financial Analysts' guidelines on the calculation of financial ratios "Recommendations and Financial Ratios 2015". The financial ratios have been calculated as follows:

Gross margin	$\frac{\text{Gross profit} \times 100}{\text{Revenue}}$
Profit margin	$\frac{\text{Profit before financial items} \times 100}{\text{Revenue}}$
Operating margin	$\frac{\text{Operating profit} \times 100}{\text{Revenue}}$
Return on assets	$\frac{\text{Profit before financial items} \times 100}{\text{Total assets}}$
Current ratio	$\frac{\text{Current assets} \times 100}{\text{Short-term debt}}$
Return on equity	$\frac{\text{Net profit for the year} \times 100}{\text{Average equity}}$
Solvency ratio	$\frac{\text{Equity at year end} \times 100}{\text{Total assets}}$

## Consolidated financial statements and parent company financial statements 1 January – 31 December

### Notes

#### 2 Segment information

No information about segments is shown as the Company only has rental activities in Denmark.

DKK'000	Group		Parent Company	
	2016	2015	2016	2015
<b>3 Fees to auditor appointed at the general meeting</b>				
Total fees to KPMG/Redmark/Erik Munk:	718	185	31	10
Statutory audit	513	185	13	10
Tax assistance	55	0	6	0
Other assurance engagements	0	0	0	0
Non-audit services	150	0	12	0
	<u>718</u>	<u>185</u>	<u>31</u>	<u>10</u>
<b>4 Staff costs</b>				
Wages and salaries	161,492	69,950	0	0
Pensions	14,486	6,625	0	0
Other social security costs	4,235	2,069	0	0
	<u>180,213</u>	<u>78,644</u>	<u>0</u>	<u>0</u>
Average number of full-time employees	<u>400</u>	<u>258</u>	<u>0</u>	<u>0</u>
Including remuneration to the Executive Board and the Board of Directors:				
Executive Board	4,496	2,695	0	0
Board of Directors	620	399	0	0
	<u>5,116</u>	<u>3,094</u>	<u>0</u>	<u>0</u>
<b>5 Depreciation and amortisation</b>				
Intangible assets	17,700	9,818	0	0
Property, plant and equipment	169,494	85,718	0	0
	<u>187,194</u>	<u>95,536</u>	<u>0</u>	<u>0</u>

## Consolidated financial statements and parent company financial statements 1 January – 31 December

### Notes

DKK'000	Group		Parent Company	
	2016	2015	2016	2015
<b>6 Financial income</b>				
Interest expense to group entities	0	0	1,500	0
Other interest income	381	336	0	0
	<u>381</u>	<u>336</u>	<u>1,500</u>	<u>0</u>
<b>7 Tax on profit/loss for the year</b>				
Current tax for the year	13,242	12,553	0	-344
Adjustment to tax previous year	0	-2,325	0	0
Deferred tax adjustment for the year	630	-866	344	0
	<u>13,872</u>	<u>9,362</u>	<u>344</u>	<u>-344</u>
<b>8 Proposed profit appropriation</b>				
Retained earnings	14,570	10,942	398	-1,118
Non-controlling interests' share of subsidiaries' profit/loss	25,109	19,250	0	0
	<u>39,679</u>	<u>30,192</u>	<u>398</u>	<u>-1,118</u>
<b>9 Intangible assets</b>				
		Group		
DKK'000	Software	Goodwill	Develop-ment costs	Total
Cost at 1 January 2016	0	294,536	0	294,536
Net effect from merger	0	0	2,503	2,503
Additions	10,150	68,003	0	78,153
Cost at 31 December 2016	<u>10,150</u>	<u>362,539</u>	<u>2,503</u>	<u>375,192</u>
Amortisation at 1 January 2016	0	-9,818	0	-9,818
Net effect from merger	0	0	-1,793	-1,793
Amortisation	-820	-16,304	-576	-17,700
Amortisation at 31 December 2016	<u>-820</u>	<u>-26,122</u>	<u>-2,369</u>	<u>-29,311</u>
<b>Carrying amount at 31 December 2016</b>	<u>9,330</u>	<u>336,417</u>	<u>134</u>	<u>345,881</u>



## Consolidated financial statements and parent company financial statements 1 January – 31 December

### Notes

#### 10 Property, plant and equipment

DKK'000	Group			Total
	Rental equipment	Fixtures and fittings, tools and equipment	Leasehold improvements	
Cost at 1 January 2016	1,153,470	75,472	15,780	1,244,722
Net effect from merger	341,723	11,232	9,669	362,624
Additions	202,330	6,623	552	209,505
Disposals	-91,028	-17,287	-72	-108,387
Cost at 31 December 2016	1,606,495	76,040	25,929	1,708,464
Depreciation at 1 January 2016	-539,415	-60,114	-7,590	-607,119
Net effect from merger	-13,335	-4,312	-3,594	-21,241
Depreciation	-161,375	-6,175	-1,944	-169,494
Depreciation on disposals	57,912	13,594	72	71,578
Depreciation at 31 December 2016	-656,213	-57,007	-13,056	-726,276
<b>Carrying amount at 31 December 2016</b>	<b>950,282</b>	<b>19,033</b>	<b>12,873</b>	<b>982,188</b>
Assets held under finance leases	401,299	11,049	0	412,348

DKK'000	Parent Company	
	2016	2015
<b>11 Equity investments in subsidiaries</b>		
Cost at 1 January	148,671	0
Additions, capital increase	10,743	148,671
Cost at 31 December	159,414	148,671
<b>Carrying amount at 31 December</b>	<b>159,414</b>	<b>148,671</b>

Name/legal form	Registered office	Voting rights and ownership interest	Equity DKK'000	Profit/loss for the year DKK'000
G.S.V. Holding A/S	Hede-husene	36.72%	422,193	-5,725

## Consolidated financial statements and parent company financial statements 1 January – 31 December

### Notes

#### 12 Deposits

DKK'000	Group	
	2016	2015
Cost at 1 January	3,074	1,062
Net effect of merger	67	1,787
Additions for the year	2,033	354
Disposals for the year	0	-129
<b>Carrying amount at 31 December</b>	<b>5,174</b>	<b>3,074</b>

#### 13 Receivables

Receivables consist of only short-term receivables.

Prepayments consist of prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

#### 14 Share capital

The share capital can be specified as follows:

DKK	
Nom. A shares	1,100,000
Nom. B shares	100
Nom. C shares	100
Share capital at 31 December 2016	<u>1,100,200</u>

#### 15 Deferred tax

DKK'000	Group		Parent Company	
	2016	2015	2016	2015
Deferred tax at 1 January	51,901	0	0	0
Deferred tax adjustment for the year	630	-866	0	344
Acquisition of subsidiary	42,009	52,767	0	0
	<u>94,540</u>	<u>51,901</u>	<u>0</u>	<u>344</u>
Provisions for deferred tax relate to				
Property, plant and equipment	94,540	51,901	0	0
Tax loss carryforwards	0	0	0	344
	<u>94,540</u>	<u>51,901</u>	<u>0</u>	<u>344</u>

## Consolidated financial statements and parent company financial statements 1 January – 31 December

### Notes

#### 16 Current liabilities other than provisions

	Group			
	Total debt at 31/12 2015	Total debt at 31/12 2016	Payment within 1 year	Debt after 5 years
Vendor note	20,000	20,000	20,000	0
Banks	237,800	386,782	86,366	0
Lease obligations	271,402	355,258	89,652	13,105
	<u>529,202</u>	<u>762,040</u>	<u>196,018</u>	<u>13,105</u>

#### 17 Contractual obligations, contingencies, etc.

##### Parent Company

A deed registered to the bank of all bank accounts secured on shares in G.S.V. Materieludlejning A/S and hereby included shares in G.S.V. Holding A/S has been registered as collateral for all balances with G.S.V. Materieludlejning A/S owed by the Group.

G.S.V. Holding A/S has provided negative pledge as collateral for all amounts owed to G.S.V. Materieludlejning A/S by the Group.

The Company is jointly taxed with other Danish companies in the Group. As a jointly taxed company which wholly owns the administrative company, the Company has joint unlimited liability for Danish corporation taxes and withholding taxes on dividends, interest and royalties within the joint taxation unit. Any subsequent corrections of taxable joint taxation income or withholding taxes could result in a higher liability for the Company.

##### Consolidated – contractual obligations

The Group has entered into leases totalling DKK 31,334 thousand (31 December 2015: DKK 33,406 thousand), of which DKK 13,401 thousand (31 December 2015: DKK 14,419 thousand) is to be paid in the initial year and DKK 0 thousand (31 December 2015: DKK 75 thousand) after five years.

The Group has entered into rent obligations totalling DKK 56,904 (31 December 2015: DKK 24,750 thousand) in the termination period, of which DKK 17,251 thousand (31 December 2015: DKK 10,664 thousand) is to be paid in the initial year and DKK 39,652 thousand (31 December 2015: DKK 14,085 thousand) in the following years.

## Consolidated financial statements and parent company financial statements 1 January – 31 December

### Notes

#### *Consolidated – contractual obligations (continued)*

Under the Danish Companies Act, G.S.V. Materieludlejning A/S is liable for the obligations of Pitzner Materiel A/S, Bramsnæs Entreprenørmaskiner ApS, A. Linnet og Sønner A/S, Bilsby Vamdrup A/S and Bilsby Hedehusene A/S which also existed at the time of the announcement of the merger, although not for more than the remaining net value at this time.

#### **18 Related party disclosures**

##### **Other related parties**

In addition, the Company's related parties comprise the Company's Board of Directors and Executive Board, executive employees and their family members. Further, related parties comprise companies in which the above persons have substantial interests.

#### **19 Events after the balance sheet date**

No events have occurred after the balance sheet date that materially affect the Company's financial position.