ANNUAL REPORT 2018

The Annual General Meeting adopted the Annual Report on 19 March 2019.

Chariman of the General Meeting

Peter Ryttergaard

G.S.V. HOLDING A/S

PEOPLE FIRST

COMPANY DETAILS

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Established:	2 March 2015
Municipality of residence:	Høje Taastrup
Financial year:	1 January – 31 December

Board of Directors
Carsten Nygaard Knudsen, Chairman
Peter Ryttergaard, Deputy chairman
Steve James Corcoran
Vilhelm Eigil Hahn Petersen
Jens Nyhus
Dan Vorsholt

Executive Board
Dan Vorsholt
Frank Olesen
Michael Torpe

Auditor
KPMG
Statsautoriseret Revisionspartnerselskab
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2100 København Ø

Design and production: Noted

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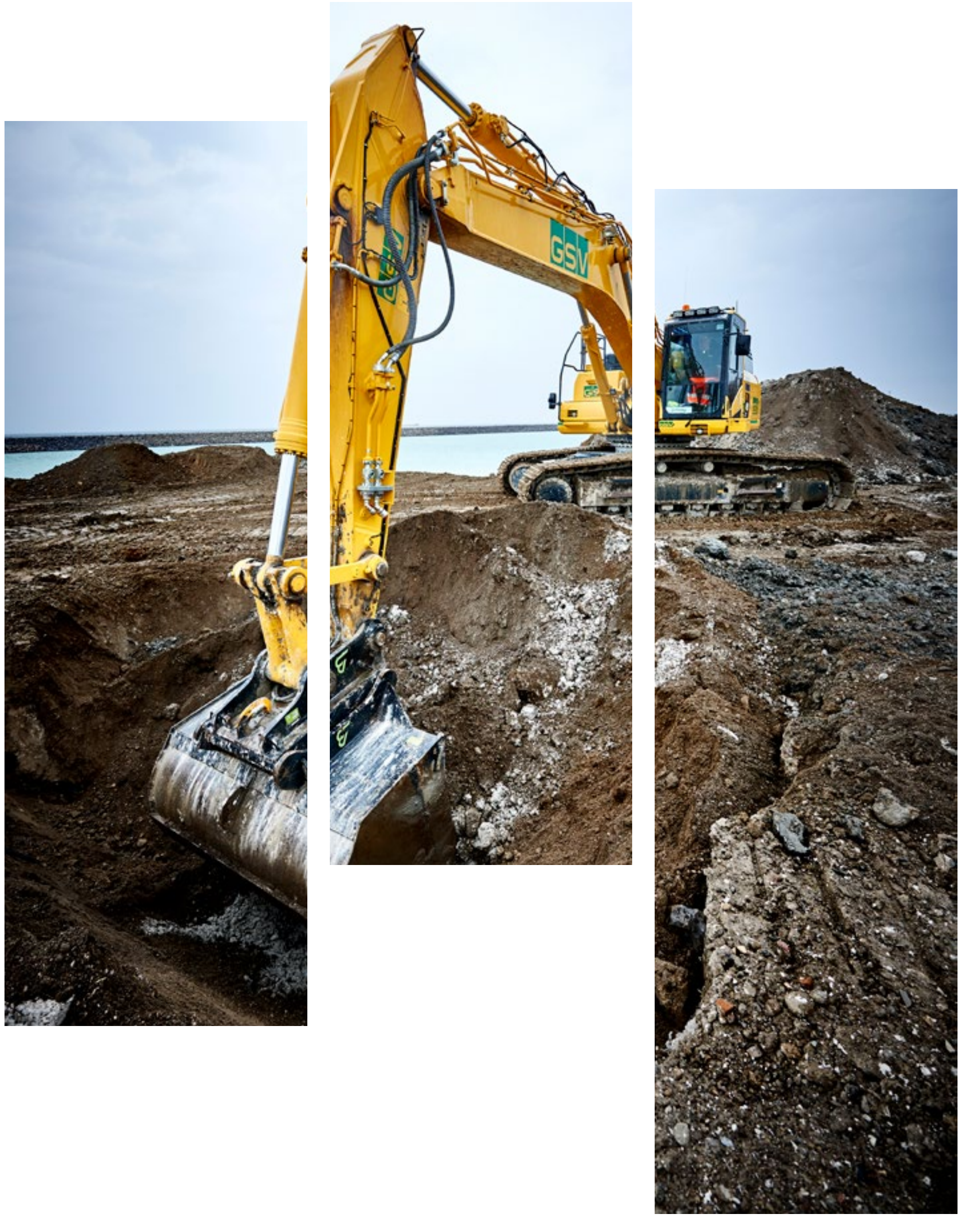


PEOPLE FIRST

Focus on employees supported by quality, delivery and costs has provided stable earnings

"People first" is embedded in the DNA of GSV and has been for decades – When I see GSV today, it is a company that has developed and grown tremendously, especially over the past 4 years. Our dedicated employees deserve the credit for our continued success and I offer them our thanks.

Consolidation of the industry for the benefit of customers
For many years, the vision has been to set a new standard in the equipment rental industry – to create a partner for our customers through the breadth and depth of our equipment, to be able to service and develop the business, aligned to the needs of our customers; whether they are a small customer or one of the "big players" in the market.

As the industry continues to move at a high pace, our focus is firmly on employee development. Over the past year, we have strengthened the management of GSV with the appointment of individuals who have strong profiles; people who have the skills and experience to ensure we have an even more solid foundation for the future development of the company.

GSV has significantly increased in scale and volume in recent years and the company's focus through it's people has been crucial for making stronger processes work and ensuring faster decision-making in our operations. All to a higher standard and with greater proximity to employees and our customers.

To support our vision, we have strategically chosen to grow through acquisitions. The merger between GSV and Pitzner was quickly followed by the acquisitions of Bramsnæs and Bilsby, and most recently, we have signed a purchase agreement with Ramirent to acquire their operations in Denmark, where Ramirent is currently the third largest equipment rental business. A transaction that upon completion will further consolidate our market leading position. We are awaiting regulatory clearance on the transaction, which is expected before the end of Q1 2019.

The planned acquisition of Ramirent and the acquisitions of the past have made GSV the strongest player in equipment rental in Denmark, and upon completion, the acquisition of Ramirent will enable us to offer our customers a number of new exciting services.

Overall, this ill provide our customers with;

- **Wider and deeper product assortment** - The combined product portfolio will provide even more opportunities than today to cover the customer's equipment needs across a wider range of product categories and more diverse asset type
- **Stronger staff competencies** - By virtue of a larger staff and more competencies, we will be able to offer a more specialized service in line with *"People first"*, so that we continue to service in the same professional manner
- **Stronger department networks** - The entire geographical departmental network will be able to offer our customers a faster rental experience and service capability across a greater area of Denmark
- **One-stop shop** - Better opportunity to be the customer's preferred One-stop shop with the industry's best service delivery, widest product range and most professional customer handling

Many projects has been supplied with equipment from GSV through 2018
Market conditions have generally been good throughout the year and growth has been particularly strong in construction. Growth in construction has mainly been concentrated in the big cities, where GSV has its strongest presence. There is a high level of activity within healthcare and hospital building, data centres, light railways, Storstrømsbroen and preparatory activities for the Fehmarn project. Overall these are projects where our customers are fully committed and therefore where GSV as their provider of choice is well positioned to benefit.

Our strategy of increasing trade with what we see as key customers; whether they be large, medium or small, has succeeded throughout the year. We have experienced good growth in our large and small customer segments and whilst we have seen a slight decline year on year in our intermediate customer segment; we understand the reason for this and are not concerned in our ability to recover this.

During the year, we have continued to work closely with our large customers around major projects, which has resulted in large deliveries to the Carlsberg city, South Metro and the American embassy projects as well as many others around the country. Our professionalism and our ability to offer a One Stop Shop provides the difference..

Internally, we have increased efficiency through stronger operational procedures - especially in regard to procurement, inventory management and new digital initiatives within our logistics. All of these have been undertaken with a view to running an efficient, competitive business and therein strengthening our relationships with our customers.

A Focus on cost, quality and employee engagement has delivered stable earnings during a period of intense activity associated with the business integration of Bramsnæs and Bilsby"
In 2018 revenue was DKK 834 million with a contribution margin of DKK 490 million and earnings before financial items of DKK 103 million, corresponding to a 12% EBIT margin.

Strong Cash flow has resulted in a reduction of our net interest-bearing debt, by DKK 52 million, while we have had net investments of DKK 42 million during the period.

Our efforts to adapt the fleet in the segments has ensured a more efficient business across the business. This has resulted in a positive change in asset utilisation, where average utilization rates of 62.6% were achieved in 2018 compared to 60.8% for the prior year.

We will continue to have a strong focus on the profitability of the company through 2019 by strengthening our business processes and ensure high quality and cost-consciousness.

CEO, Dan O. Vorsholt

GSV – A great place to work
It is with a completely calm hand that I welcome 2019 – there are so many exciting opportunities ahead for GSV and we have a really good plan to ensure we remain the industry's best and strongest performing equipment rental company.

We will continue to develop GSV into a good place to work and to be employed; in an industry where it is not always so - therefore *"People first"* will continue to have a strong focus and we will remain committed to developing our employees in line with the company's growth.

In the short-term, we await the competition authorities' approval of our purchase of Ramirent Denmark. The Integration of Ramirent will be an exciting task, one which we have a clear plan for and in this connection, one which will also provide new initiatives for the benefit our customers.

I look forward to being able to offer our customers new opportunities through 2019 and continue the good cooperation across customers and employees – GSV is ready!

Have a great rental day!
CEO, Dan O. Vorsholt

2018 IN BRIEF

GSV have had increased focus on profitability in 2018, which has yielded increasing operating margin. With earlier acquisitions successfully integrated, GSV is in a strong position and ready for 2019.

(All amounts in the report is stated in DKK)

EBITDA

299 DKKm

2017: 295 DKKm, 2016: 293 DKKm

EBITDA-MARGIN

36%

2017: 35%, 2016: 34%

REVENUE IN 2018

834 DKKm

2017: 844 DKKm, 2016: 863 DKKm

PROFIT/LOSS FOR THE YEAR

63 DKKm

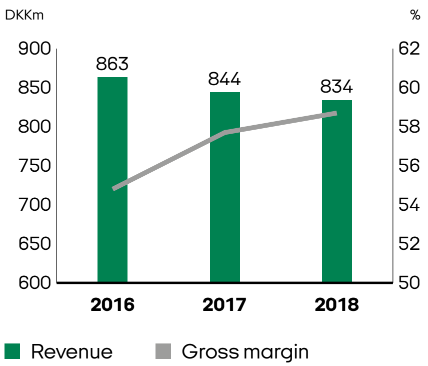
2017: 42 DKKm, 2016: 49 DKKm

RETURN ON INVESTED CAPITAL EXCL. GOODWILL

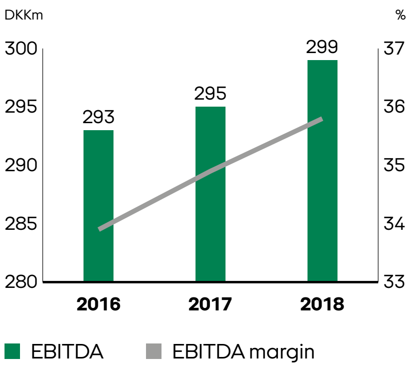
11.9%

2017: 10.4%, 2016: 9.7%

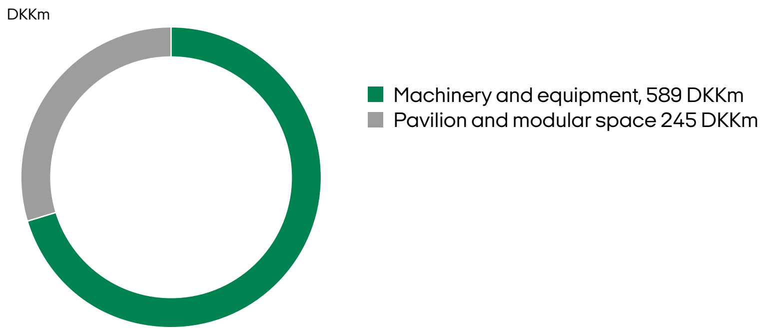
REVENUE DEVELOPMENT



EBITDA DEVELOPMENT



REVENUE SPLIT BY SEGMENT



FINANCIAL HIGHLIGHTS FOR THE GROUP

DKKm	2018	2017	2016	8 mths. 2015
Income statements				
Revenue	834	844	863	476
Gross profit	490	487	473	227
EBITDA before special items	**299**	**295**	**293**	**206**
Depreciation, amortisation and impairment losses	-187	-183	-199	-139
Special items	-9	-20	-9	-16
EBIT	**103**	**92**	**85**	**51**
Finance income and finance costs	-21	-28	-24	-14
Profit/loss for the year	63	42	49	30
Balance sheet				
Total assets	1,584	1,597	1,681	1,610
Investments in property, plant and equipment	216	191	246	176
Equity	604	541	500	403
Cash flow statement				
Cash flow from operating activities	217	234	221	
Cash flow from investing activities	-45	25	-314	
Cash flow from financing activities	-174	-323	142	
Cash flows for the year	-2	-64	48	

%	2018	2017	2016	8 mths. 2015
Financial ratios				
Gross margin	59%	58%	55%	48%
EBITDA margin	36%	35%	34%	43%
Operating margin before Speciel items	13%	13%	11%	14%
Operating margin	12%	11%	10%	11%
Return on invested capital excl. Goodwill	12%	10%	10%	5%
Current ratio	43%	47%	52%	97%
Return on equity	10%	8%	10%	7%
Solvency ratio	38%	34%	30%	25%
Number of employees	384	392	398	

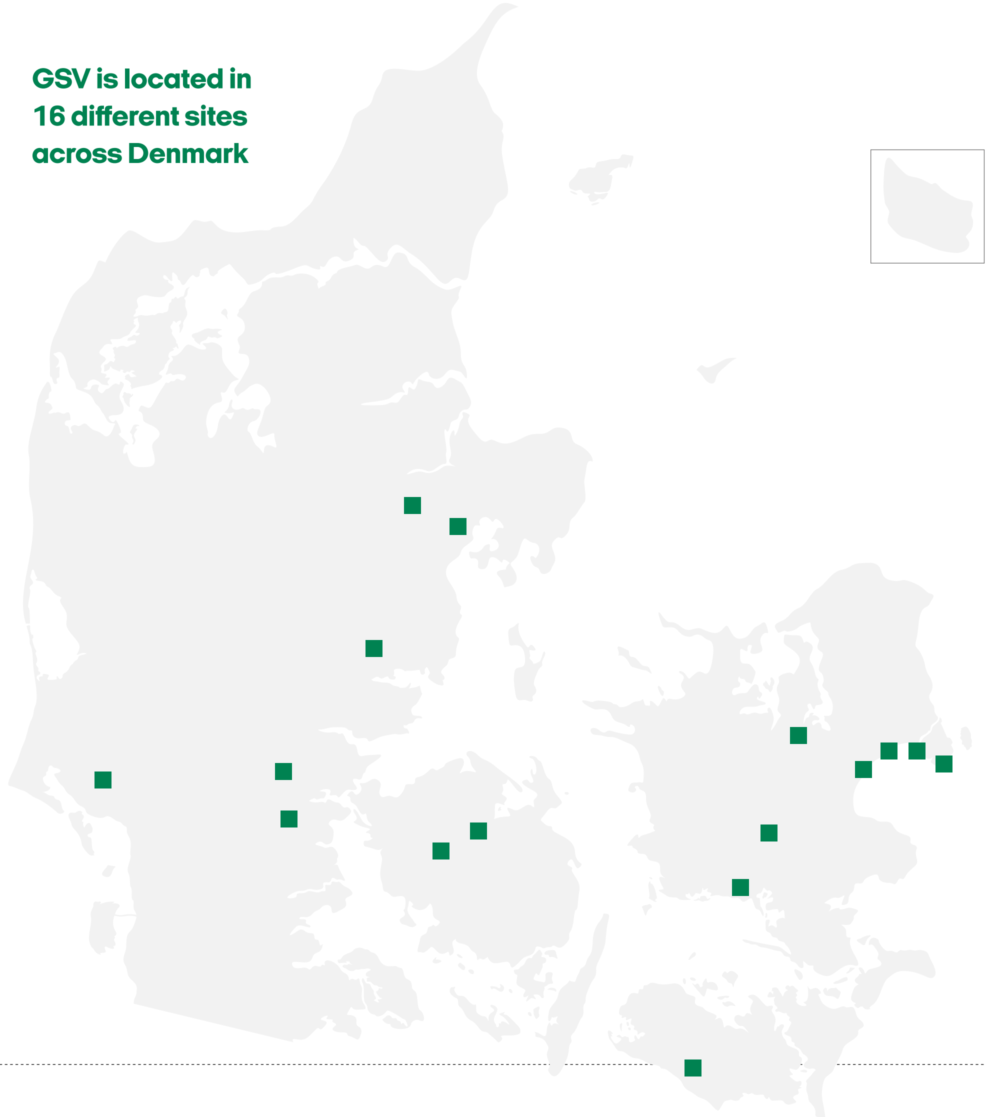
Financial highlights for 2016-18 are prepared in accordance with IFRS. The comparative figures for 2015 have not been restated to reflect the change in accounting policies, but have been prepared in accordance with the previous accounting policies based on the provisions of the Danish Financial Statements Act. The 2015 figures represent the period from May to December.

Financial ratios are calculated in accordance with the Danish Society of Financial Analysts' guidelines on the calculation of financial ratios "Recommendations and Ratios".

ABOUT GSV

GSV is the market leading one-stop shop for the Danish construction industry. No other Danish company has a product portfolio as deep and wide available for rent.

GSV is located in 16 different sites across Denmark



MISSION AND VISION

MISSION

We help our customers improving Denmark
Through rental of high-quality equipment and running our business with focus on people, quality and service with personal touch

VISION

GSV want to be recognized as:

- **An innovative business partner for our customers and suppliers**
- **An attractive workplace for our employees**
- **A good investment for our shareholders**

GSV SERVES THE ENTIRE CONSTRUCTION SITE

LIGHT EQUIPMENT | MODULAR SPACE | RAIL | HEAVY EQUIPMENT | LIFT | SCAFFOLDING | PLATFORM | SMALL EQUIPMENT | PAVILION

GSV – INCREASINGLY DIGITIZED TO OPTIMIZE OUR CUSTOMERS BUSINESSES!

For GSV it is important to always keep up with the development and at the same time strengthening our services and secure a positive, expedient and efficient experience for our customers.

During 2018 we developed a digitized transport-application and implemented it with all our trucks, where all drivers now are equipped with mobile-phone and tablet. The advantages of this set-up are several, including:

- We are optimizing our overall logistics by digitizing all work-flows
- The planning of the individual tours are optimized with direct links to google maps and traffic information (so the driver can be guided around traffic jams)
- With google maps, the GPS-systems installed on our equipment and the APP the driver can be guided directly to the equipment, since the equipment frequently is being used at otherwise deserted locations (without addresses).
- Equipment deliveries and pick-ups are time-stamped.
- We get photo-documentation of equipment at delivery and at pick-up to improve problem-resolution, customer service time and invoicing.
- We can follow trucks and drivers on-line on their route.
- The communication between the planners and the drivers is speedy, accurate and timely. Updates can happen in matter of seconds through messages, that can be seen visually or heard through the audio interface.
- The driver can call the customer directly through the APP in case of delays, special delivery requirements or questions.
- The drivers can get instructions and technical information on the equipment he is transporting.
- We see improved efficiency with the planners.

The above are some of the advantages of our transportation app. It will in no way replace the personal relations between people – between the planners in the logistics center and the driver; between the driver and the customer; and between the customer and GSV in general. But the app will facilitate the relations and make both our customers and our business better.

MANAGEMENT'S REVIEW

COMMENTS ON THE 2018 FINANCIAL PERFORMANCE

OPERATING REVIEW

Principal activities
GSV group consists of G.S.V. Holding A/S and the subsidiary G.S.V. Materieludlejning A/S. The principal activity of G.S.V. Holding A/S is to own the shares in G.S.V. Materieludlejning A/S which is the operational entity (hereinafter the group is referred to as 'GSV').

GSV is the market leader within the equipment rental ndustry and offers a one-stop-shop rental concept with a wide range of rental and service solutions for construction, developers, industrial companies and the public sector.

The rental fleet includes lifts, platforms, scaffolding, pavilions, sheds/modules in addition to the market's broadest portfolio of construction equipment.

GSV services more than 5,000 customers from 16 branches throughout Denmark with the largest product range in the equipment rental industry.

The average number of employees was slightly reduced during 2018 from 392 in 2017 to 384 in 2018 as a result of continuous focus on efficiency.

For further information, visit the website www.GSV.dk.

Income statement
The year's total revenue amounts to 834 million against a revenue of 844 million in 2017. The drop in revenue is primarily attributable to focus on servicing large customers who in general have favourable prizing agreements. During the period we have experienced positive movement in the volume of transactions made. Throughout 2018, the company has serviced more customers and handled more contracts than in 2017. However, this increase in activity has also been accompanied with a slight reduction in the average contract length, which has resulted in slightly lower revenues and a subsequent small rise in operating costs; as a result of a higher volume, faster turnaround, of contracts. The net result has been a broadly stable performance in comparison to 2017. However, with the integration of Bramsnæs and Bilsby now complete, a number of initiatives, synergies and operational gearing benefits implemented throughout the year will start to flow through to optimise performance in 2019.

EBITDA amounted to 299 million against 295 million in 2017.

The EBIT for the year is impacted by non-recurring costs associated with acquisitions and other non-recurring costs totalling 9 million (2017: 20 million).

The stable result has been generated despite a small drop in revenue and additional cost following a higher activity level due to the shorter rental periods. Contributing positively to the result was a number of activities initiated in 2018 to optimize operational procedures and thereby cost levels. The positive effects of these projects will be fully implemented during 2019.

Balance and equity
GSV's total balance was reduced by DKK 13 million during the year and totalled at year-end DKK 1,584 million. The Company reduced its acquisition financing by DKK 58 million during the year.

GSV supports our customers with a modern and updated fleet of rental equipment to continue to be their preferred rental partner. In 2018, GSV made investments of DKK 216 million in rental equipment.

Equity at year-end amounted to DKK 604 million against 541 million at year-end 2017.

Outlook 2019
We expect to increase revenue organically by app. 2% equivalent to the forecasters market growth. Additionally we expect the Ramirent acquisition to impact the revenue in 2019 at the same level as was accomplished by Ramirent in 2018.

For 2019 we expect the EBITDA margin to be in line with 2018. The negative impact from integration cost and the positiv effect from synergies from the acquisition of Ramirent are expected to be at equal levels in 2019. We will have two key operational focus areas in 2019. To maintain quality and performance with our existing customers and to succesfully integrate Ramirent DK into GSV, subject to closing of the transaction.

The annual report is available on:

WWW.GSV.DK

"New technology will change our industry in the near future

THE MARKET WE SERVE

The vast majority of the GSVs activities are performed in Denmark for Danish and international companies, organisations and public customers. The positive development in the Danish economy creates the basis for continued growth in the construction market in coming years. For the three business areas: civil engineering, construction and building and industry GSV serve 20% of the outsourced market, which was approximately 4,100 mDKK in 2018. Growth expectations for the market in 2019 are positive but marginally lower compared to 2018.

The civil engineering market in Denmark
The civil engineering market is an important segment of GSV. GSV is the largest rental company in the market of heavy equipment with and without driver as well as equipment for Railway projects in Denmark. The market has seen high activity in 2018, not least public works, where GSV has supplied equipment to the Storstrøm Bridge, City & Harbor Copenhagen, Metro Copenhagen, light rail in Aarhus and Odense as well as highway projects in Jutland. Continued high activity in 2019 is expected, as GSV has a good grip in this market – e.g. works with Data Centers and Fyns Highway. It is expected that the Fehmarn Belt connection will get underway at the end of 2019 and this will give a great deal of activity in the market, for which GSV is preparing now. Activity in this segment in 2018 was higher than in 2017 both in the whole market and for GSVs share of the market. GSV plans to invest significantly in this segment in 2019 in order to always have the latest equipment and the latest technology.

The construction and building market in Denmark
The building activity has had a historic high level in 2018. Never before have so many construction projects been launched – most notably housing — both new constructions and renovation. The activity is centered around the larger cities Copenhagen, Århus, Aalborg and Odense. Demand for new homes is still increasing, which drives development of large construction projects such as Nordhavn, Carlsberg Byen and Sydhavn. Continued high activity is expected in 2019, where new significant projects will be launched. Housing prices in the greater Copenhagen area has been increasing for a number of years, but in 4th quarter 2018, there was a slight decline in housing prices, suggesting a possible stagnation in prices in the coming years. Uncertainty about housing tax reforms may be part of the explanation of this. GSV deliver light products, platforms and lifts for the construction segment and in 2018, GSV has invested heavily in this equipment in order to be able to keep up with demand ensure a high quality delivery in this area.

The industrial market in Denmark
GSV activities in this market covers building maintenance, renovation and facility management. These activities are less cyclical and provides more stability in earnings for GSV. Pavilions are an important element of the industrial market and here we service a number of big customers. The facility management market consists of small and medium customers, who need equipment over longer periods and for recurring tasks/activities. The equipment used for this market is mainly lifts and light material.

OUR CUSTOMERS

We segment our customers in:

Large customers: consists of the largest Danish and foreign contractors in Denmark and together make up approximately 50% GSVs of revenue. The entire palette of services "One stop shop", is used, i.e. everything from heavy, light and small equipment, pavilion, and module. If GSV does not have the requested material available, it is rented from other owners/partners, so that large customers are guaranteed to rent equipment in only one place. A dedicated sales team services these customers individually. GSV has had good results with focus on this customer segment, which resulted in an increase in turnover of 9% in 2018 as well as a significantly increased customer satisfaction.

Mid-size customers: consists of medium-sized Danish construction companies – in the range of 10-50 employees. These customers make up 25% GSVs revenue. and this is a slight decline over prevous years. As the mid-size customers is a very important segment for GSV we will launch a number of initiatives in 2019 with the mid-size customers in focus in order to create growth and increased customer satisfaction.

Small customers: consists of companies with up to 10 employees, as well as individuals who pick up and delivers equipment themselves – typically local business. Customers in this segment mainly rent small and light material in shorter periods. Small customers make up the remaining 25% GSVs revenue. In 2018, we have experienced a high demand for equipment in this segment, and the market is growing. That is why we invested extraordinary in equipment for this customer segment during 2018. In order to satisfy the customers, it is important to have equipment available, which requires a certain amount of inventory. As the market is growing, we will continue to focus on small customers and invest in the equipment categories in demand.

"We want our customers, suppliers and employees to be satisfied so they enjoy coming back again tomorrow

OUR PRODUCTS

GSVs fleet size amounts to more than 17.000 items of individual equipment and more than 260.000 pieces of volume equipment. This is by far the largest and most diversified fleet in Denmark, securing that GSV can meet almost any customer requirement. In fact, we pride ourselves in always going that extra mile to meet our customers need.

GSV has a sizeable fleet fitted for working on the particular conditions within Rail construction. GSVs heavy euipment fleet covers construction equipment weighing above 15 tons. Very often the GSVs service for heavy equipment includes highly skilled and experienced drivers.

The light equipment fleet includes non-handheld construction and building equipment up to 15 tons, and our small equipment are generally handheld equipment and tools. With our Pavilions and the Modules fleet we can fullfill significant and varied customer needs in Temporary Spacing. The Fleet of Working Platforms services the requirements at construction sites. Finally GSV has a small fleet of non-strategic Scaffolding. We are currently reviewing our strategy with this fleet.

Continuous investments secure an updated fleet, currently with an average age of 6.7 years (5 years when excluding modules and pavillons). The investments are made based on overall market outlook as well as specific individual customer cases. Careful ROIC and TCO-considerations are made in optimising investments in view of quality, service-/handling costs and investment size. In 2018 GSV invested 216 mDKK in its fleet to secure an attractive, reliable and updated fleet.

GSV is continuously striving to consolidate the numbers of manufacturers within the fleet to a level where each main-product line only include 2-3 major brands. While the manufacturers need to be cost competitive our focus when selecting brands for our fleet is based on (in priority) 1) market demand, 2) quality, 3) availability and 4) service options included.

LIGHT EQUIPMENT

- Mini dumpers
- Mini excavators
- Mini loaders

MODULAR SPACE

- Living units
- Office units
- Staircase units
- Entrance units.

RAIL

- Dumpers, excavators and boom lifts on rail wheels
- Accessories

HEAVY EQUIPMENT

- Dumpers
- Excavators
- Dozer
- Graders
- Loaders

LIFT

- Boom lifts
- Scissor lifts
- Truck lift
- Telescopic boom lifts

SCAFFOLDING

- Facade/tower scaffolding
- Bricklayers scaffolding
- Mobile scaffolding

PLATFORM

- Work platforms
- Mast cranes
- Loading platforms.

SMALL EQUIPMENT

- Generators
- Vibrators
- Heating equipment
- Tools.

PAVILION

- Pavilions premade or custom-made
- Up to three layers

"Satisfied people working to do even better – that's GSV

THE GSV SERVICE CHAIN

Every working day of 2018 GSV delivered approx. 550 pieces of equipment to our customers. 16 departments throughout the country are working 24/7 to secure timely and high-quality delivery. More than 80% of the daily deliveries were ordered from customers with less than 24 hours notice and with delivery performance of more than 99%.

The backbone of this highly efficient "delivery machine" is "the GSV Service chain". The GSV Service Chain include a sequence of 9 process steps and a number of sub-processes within each process-step.

The GSV Service Chain is build on GSVs 50 years of history, industry insigth and experience. GSVs core value: "The customer comes first, always" is the heart and the mind of the GSV Service Chain. It has been implemented and further developed to meet every customer requirement in a forthcoming and agile fashion.

When receiving a customer inquiry/order, be it by IT, phone or by visit, the processes in the chain is initiated, designed to secure almost any equipment delivery at the customer site in a matter of hours.

The Service chain is supported by advanced digitization, securing both scalability and continuous further development for improved service and higher efficiency. The systems and applications create relevant documentation (order, delivery details, delivery/reception photos, etc.) to facilitate speed and smooth problem resolution.

During 2018 we increased digitalisation of our inventory management system, transportation applications, service/rental system and procurement system. These improvements facilitated improved service figures, e.g. 13% more telephone calls with 3% fewer dropped calls, and a significantly more efficient throughput (e.g. 8% increase in number of invoices in 2018 vs. 2017.

THE GSV SERVICE CHAIN FOR MODULES AND PAVILIONS

The GSV Service Chain for Modules and Pavillons has a number of adaptations and associated time-constraints, relevant for those service lines.

OUR STRATEGY

GSV is build on three core beliefs:

CUSTOMER CENTRIC

Every day we strive to go that extra mile to fulfill our customers need and we never say "no".

PEOPLE FIRST

People make our business: customers' people, our people and suppliers' people. People build relations and do Business with people they like. We are a people-business so much more than a machine business. We value that and build our business on this understanding.

SCALE IS KING

In our industry, scale leads to improved services, higher quality and better efficiency. They are all fundamentals in servicing the customer better than our competitors. This is why we have worked to consolidate the Danish market, building our position as market leader. We will continue to build scale to the benefit of our customers, our shareholders and our employees.

We continue to develop our total-solutions services. Whether the Customer needs a Dehumidifier, a motorised Wheel-barrel, a 60 tons Excavator or 100 modules we fulfill it. If the customer needs all of the above, we fulfill it. We continue to have the broadest service offering of rental equipment in Denmark. We believe this is core to the continued growth and success of GSV.

We strive to compete with our high quality services. We are not the "Discount-shop" of the equipment rental industry. As market leader, we prioritise quality at competitive prices.

In December 2018 we entered into an agreement to acquire Ramirent's Danish business operations. The transaction is currently being reviewed by the competition authorities, and if approved, we will integrate Ramirent into GSV during 2019 to further strengthen our offerings and services to our customers. The two businesses complement each other in a way that will broaden service-range and market-coverage.

We continue to see attractive consolidation opportunities in the Danish market. We will pursue those where we see relevant fit with our current market position.

During 2018, we carried through several process improvement initiatives in our business – to improve both quality delivered and efficiency incurred in our delivery. We continue to identify and execute initiatives with this focus. Our increased scale supports this.

Further, our scale allows us to develop advanced offerings to the Danish market and with those go places where our competitors cannot come. These offerings are often developed with one or more customers to ensure customer centric development.

Within our adjacent markets we follow our Danish customers and will service them in these markets, leveraging our scale and Danish business. In addition, we see several growth and consolidation opportunities in these markets. These can strengthen GSVs business and build a Scandinavian business, positioning GSV as the undisputed Danish market leader and a respectable Scandinavian Player.

"Now former Minister for Industry, Business and Financial Affairs Brian Mikkelsen visited GSV in 2018, he sees the equipment rental industry as an important contributor to growth in the sharing economy.

WELCOMING RAMIRENT TO GSV

THE AGREEMENT TO ACQUIRE RAMIRENT

On 3 December 2018, it was announced that GSV has agreed to buy the Danish activities of the international rental group Ramirent. The purchase price was announced at Euro 33 million.

Subject to approval from the Danish competition authorities, the Ramirent acquisition is expected to be approved in March 2019, by then GSV will merge with Ramirent DK.

With this important acquisition, GSV continues the strategic path of consolidating the Danish market for rental of equipment. The acquisition will provide the consolidated GSV with:

- Larger, broader and better fleet to service all our customers better.
- Better service-offerings to the small and medium sized customers in addition to GSVs strong focus on the larger customer segments.
- Complementary geographic coverage allowing access to service more local markets and bringing proximity to our customers.
- Likewise the acquisition provides GSV with broader and more resilient customer base across industries and across sizes.

These above points will cement GSVs position as market leader in the Danish market and the position as the leading one-stop-shopping Rental company. The Ramirent business will add another DKK 270 million revenue to our business.

On top of this the cultures and mind-sets of the two organisations are similar: very customer centric, very people first minded and with a focus to deliver high quality at high standards.

With the approval from the competition authorities we look forward to welcome and service all Ramirent customers in Denmark.

Likewise we look forward to welcome 130 new employees from Ramirent into the GSV family. With them they will bring competencies, skills, industry relations and another 7 geographical locations on the map, bringing the total number of GSV locations at 23 across most of Denmark.

The planned integration two companies is expected to take place during 2019 and we see a number of exciting synergies when combining the business. These synergies will make GSVs business even more competitive and attractive to our customers. The synergies include:

- Customer approach
- Streamlining of fleet
- Branding and location set-up
- Logistics and procurement
- Building a new "super-rental site" at Ramirent's Greve location south of Copenhagen, which we expect will be the largest of its kind in Denmark

The financial consolidation of the two companies is expected to take place with effect closing of the Transaction.

RAMIRENT IN BRIEF

Ramirent is currently number three in the Danish market with no obvious path to elevate this. The position does not match the overall Ramirent Groups aspiration for its activities, thus leading to the sale of the Danish subsidiary. Key facts from the Danish Ramirent subsidiary include:

NET REVENUE IN DENMARK 2018

DKK 270M

NUMBER OF EMPLOYEES IN DENMARK

130

MARKET POSITION IN DENMARK

#3

NUMBER OF SITES IN DENMARK

7

NUMBER OF UNITS FOR RENT

8,500

RISK MANAGEMENT

Risk governance structure
GSV is constantly seeking to manage the risks inherent in the business activities and reduce the potential financial impact of these to an acceptable level.

Central to our risk management strategy is a regular data collection from several internal systems which provides a solid basis for Management's decisions.

This process is strengthened by fast information flows, thorough root cause analyses and short response times accommodated by our flat organisational structure.

Our risk management approach therefore scales with our activities, enabling a timely response to issues that may have a material impact on the company's earnings, financial position and the achievement of other financial targets.

The Board of Directors has the final responsibility for the Group's risk management and determines the overall framework for identifying and mitigating risks.

The Executive Board is responsible for the day-to-day compliance with the risk management framework as well as the continuous development of the Group's risk management activities.

Particular risks – operating and financial risks

Operating risks
The majority of the Group's customers operate in the building and construction sector, where the production output is very dependent on economic trends, which may affect the Group's sales potential and thus earnings. Moreover, the Group depends on the procurement of necessary funding on market terms.

The Group'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 secure that the Group has adequate resources allocated to adapt to the macro economic trends

For more details of our management of operational risks related to employees, environment and safety, please see pages 26-30.

Financial risks
The Group's financing structure is common for private equity-owned groups.

The Executive Board and the Board of Directors regularly evaluate whether the capital structure supports the achievements of overall strategic goals and long-team growth.

The Group is financed by its equity and long-term loan facilities. At 31 December 2018 the solvency ratio is 38%.

The Group has not taken advantage of financial transactions or used financial instruments that do not support the underlying business.

At the balance sheet date, the net interest-bearing debt was DKK 729 million for the Group, which is considered an appropriate level.

"Everyone can rent machines, it's the people and relations that makes the difference

QUALITY

The core of the DRA (Danish Rental Association) is quality of rental equipment. The procedure and standards for return control, functional testing and quality inspection, as well as systematization and control of workflows and processes, ensure we that we rent out material with a very high uptime.

In GSV we have 24/7 service, which means that the customer can rent equipment, get equipment serviced or swap to new 24 hours per day, seven days a week. We strive to have a fitter or mechanic on site within two hours, and replace the equipment within four hours, if the employee cannot resolve the problem. We are continuously measuring the quality of our service, including how long it takes to get through on the phones, how good we are to deliver the product on time and how often we have a mechanic out to a customer within 48 hours of the lease. This is how we ensure constant care so the customer gets the right product, at the right time and without interruption.

We have an established processes for timely inspection and maintenance of all equipment. GSV takes part in a machine control and lift control system, which means that all our workshops get continuous inspection visits by Danish Technological Institute, and spot checks are made for 3% of all equipment that has been through annual review.

When the customer rents with GSV he receives a transparent price, he is guaranteed against unnecessary downtime and has peace of mind that the equipment meets the safety requirements, environmental allowances, annual reviews and is insured against damage.

We have rolled out a deviation system, and we have procedures that ensure follow-up on reported deviations. Process ownership for return receipt, provisioning, repair shop, rental and logistics, is established in the ERFA groups, with members across the country. Where appropriate, deviations are treated in the ERFA groups working with the basic root cause analysis and continuous improvement.

GSV IS DRA CERTIFIED

DRA stands for Danish Rental Association, and a DRA certified equipment lessor is the safe choice for customers, which goes up in quality, environment and working environment. DRA takes as its starting point the principles behind the international ISO and OHSAS standards, but is tailored for the Danish equipment rental industry.

DRA certification is based on a series of guidelines. With this in mind, we have created our own manual of GSV in quality, environment and working environment that provides security for compliance with the above-mentioned steering system. You can read more about DRA on the Organization's own website: www.dra.nu

24/7 service

The customers can always reach a GSV employee.

CORPORATE SOCIAL RESPONSIBILITY

It is our vision to be the customers' preferred rental partner for the rental of land and construction equipment, shed materiel, mobile sheds, pavilions, lifts, cranes, platforms and scaffolding for the construction industry, general industry and public sector. As part of this vision, we also strive to place people's needs and expectations before the machines, which is the corner stone of our corporate social responsibility (CSR) journey.

Our CSR policies reflect our ambition of being a responsible and ethical rental business partner.

Our CSR work and policies are guided by the 10 principles of the United Nations Global Compact (UNGC) and comply with the Danish Financial Statements Act, section 99 a.

In addition, the Group has received DRA certification for rental companies, which requires businesses to comply with procedures and standards for quality, environmental and work management. As such, the DRA certification links to key elements within ISO 9001, ISO 14001, OHSAS 18001.

Furthermore, in order to create awareness among our employees and motivate them to be part of the CSR journey, we have created an employee handbook and Code of Conduct. Both documents help our employees to understand GSV's CSR aspirations and to know how to communicate our social responsibility efforts externally and follow the defined business ethics.

A crucial part of our CSR journey is the focus on environmental, human and employee rights and anti-corruption, which have the highest importance to our customers, business and industry.

ANTI-CORRUPTION

The GSV anti-corruption policy was rolled out in 2017. The Groups obligation to fight corruption is governed by the Group's Code of Conduct. As corruption pose a risk our Code of Conduct outlines how employees should exercise professional judgement and strong business ethics in case of receiving/giving gifts or generally collaborating with suppliers and customers. Any violation to the Code of Conduct should be reported to our CEO, HR and Quality Manager.

The Group has a zero tolerance policy towards fraud or bribery. During 2018 we did not observe any incidents or violations of our anti-corruption policies.

HUMAN RIGHTS

The Group recognises internationally accepted human rights and this is the building block of our human rights policy. The rights to education, freedom of speech, no discrimination on the basis of race, sexual orientation, religion, gender, culture and political stand, no harassment and force labour on the workplace are the key human rights with the highest relevance for our business and stakeholders.

GSV does not employ people under 18 years of age to perform work that has health and safety risks.

In order to ensure that our human rights policy is also followed by our vendors, we openly communicate the Danish law legislation and perform compliance inspection of their documentation.

During 2018, Management have initiated a more structured and comprehensive follow-up process related to workplace injuries and sick leave, which led to increasing awareness on such issues. Management was not aware of any violation of the human rights policy.

ENVIRONMENT AND CLIMATE

In GSV we work to reduce the environmental footprint in all our locations nationwide, and in all functions and divisions across the company. To reduce the risk of negative environmental impacts on society we have a declared goal to promote sustainability by being more energy efficient, reduce waste and choose environmentally friendly products and services.

In 2018, this objective was achieved through a keen environmental focus and a series of specific initiatives:

- Displacement of older diesel powered lifts, with new electrical lifts, to reduce air pollution and sod.
- Limit our diesel fueled water heaters to 45C to minimize fuel consumption and switch to environmentally friendly soap products which are efficient with cold water, biodegradable and non-toxic to aquatic organisms.
- Installation of sand traps with our oil separators, to increase the residence time and dissolve smaller emulsions of drainage water from wash areas.
- Proper waste management; waste sorting, disposal and recycling, and tightened procedures for paper for recovery as well as rules governing printer usage.
- Replaced fluorescent lighting with LED in most indoor fixtures and plans of installing Lux control in indoor areas with skylights as well as PIR sensors in delimited areas.
- Total ban on trucks engines running idle while loading and unloading.
- Heightened alertness through training and contingency plans in case of oil or chemical spills.
- Increased investment in electrically powered rental equipment, such as excavators, lifts, rubber joints and compression equipment.
- Optimized control of heat calorifiers to stop continuous circulation during down time, which causes heat loss from pipes and surfaces.
- Programming ventilation utilize cool night air to lower temperature of buildings during summer period, and also ensure process for interrupting hot air calorifiers in the summer.
- Disconnected comfort ventilation from places where gates, doors and windows are opened and closed repeatedly.
- Reduced ventilation up-time in places without natural fresh air circulation, by installing timer to control operation 1 hour before and after working hours.

SOCIAL AND STAFF MATTERS

Our health and safety management program provides stringent procedures for the handling of chemicals, personal protective equipment, and handling of equipment. We take security seriously, and we aim to reduce any risks related to our employees health and safety, thus we have a well-documented contingency plan that includes hazards, accidents and fires.

Through competence planning for each employee and close cooperation with Materialesektionen which is part of Dansk Byggeri – the association for rental providers, owners, manufacturers and distributors of construction equipment – we ensure that our employees always upgrade for the latest requirements of crane-truck-telehandler certificate, welding, thermal cutting, epoxy courses, work with power and height etc.

All of our installers, drivers and vendors have completed individual security courses, so they can work safe and proper on the large construction sites with our customers around the country. Together, we use more than 1,000 annual person-hours of training and upgrading, which means that we have one of the highest qualified labor forces in the industry.

We have an active safety organization with members from all departments. Each month, leading department managers together with members from the security organization complete a thorough security rundering in every department following a security scheme. If unsatisfactory conditions are found, action plans are prepared with a responsible and deadline.

The monthly reviews are followed up at the bi-annual internal audits carried out by our central safety department. The internal audits is a systematic review of each department, which forms the background for a smiley scheme for each function in the department and the department as a whole, and these are listed in the corporate intranet. The internal audits are followed up at monthly meetings between the departments and the Regional Manager, and forms the backdrop for an annual external audit by the independent supervisor, Force Technology.

Each year we conduct emergency drills and first aid courses in all departments. First aid courses are constant on the agenda, while contingency exercises varies between accident, fire and environment. We use more than 600 annual person-hours on security training and drills, because we believe that our employees are our most important asset. We call it: "People first".

Continuous focus on security and managerial follow-up, has resulted in a continuous improvement in performance in the external audits, year after year. We have seen an increase in the number of reported near miss events and a halving of the number of accidents in the workplace in just two years.

At the same time, we have had a satisfactory development in accident-related absenteeism per hours worked, better employee well-being and a stronger bottom line. It has further strengthened our philosophy that investing in our employees is an investment in the company itself.

GENDER DIVERSITY

Zero tolerance to discrimination on the basis of gender at the workplace is a critical part of our human rights policy and has become a focus point of the GSV policy on gender diversity. This policy is both applicable for our Board and on management levels.

GSV operates in a male-dominated industry, and we are experiencing difficulties in recruiting female employees at all levels of the Group. We aim to provide equal opportunities for both male and female employees with respect to salary and promotion and to ensure a good working environment for all employees to best utilise their skills and gain management responsibilities. During 2018, there were female managers in HR, Marketing and in some of the Company's rental departments.

Management level employees and Board members are employed based on experience and competences, and no gender objectives are taken into consideration in the recruitment process.

Currently, the total number of Board members is six and there are no female representatives. Therefore, the set target for female Board members is to be 20% by 2020.

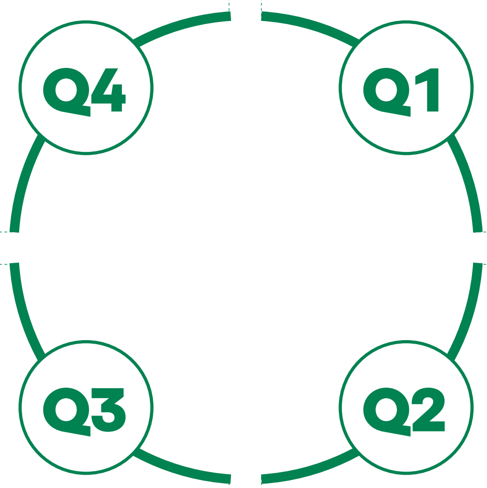
GSV ANNUAL CYCLE OF ORGANIZATIONAL EVENTS

Christmas Celebrations
Participants: Permanent Employees + seasonal temps
Focus: "Thank you"; lunch or dinner with colleagues in local teams and a personal present from GSV

Management seminar (1-day)
Participants: Exec. Mgmt. and People / Functional Managers
Focus: Strategy execution, annual targets and a theme related to current challenges

Management Seminar (2-days)
Participants: Exec. Mgmt. and People / Functional Managers
Focus: Build Management Capabilities, be inspired and form relations across teams

GSV Celsius (1:1 structured employee-Manager dialogue)
Participants: Permanent employees
Focus: Action plan based on professional capabilities and personal motivation



Exec. Mgmt. "Road-trip" (3 hrs workshops)
Participants: Permanent Employees
Focus: Business Update, be inspired from each other

Annual Party (Friday 16.00-1.00)
Participants: Permanent employees
Focus: Strategy up-date / Annual Results / Get-to-know colleagues

DHL Relay in Århus and Copenhagen
Participants: Permanent Employees
Focus: Shared experiences and form unity across locations

Organisational: Highlights from 2018

EXECUTIVE MANAGEMENT. ROAD-TRIP IN AUGUST, THEMED CUSTOMER FOCUS

Permanent employees were invited for workshops in 4 locations across Denmark. Large customers engaged in sessions and shared face-2-face what they regard to be GSV' unique strengths; high quality on products and service including quick response to emergent needs occurring in their business and 24/7 support.

Employees shared their local successes with the purpose of spreading best practices to colleagues in GSV under the 4 headlines of "Customer Service & Collaboration", "Deliveries & Quality", "Processes & Efficiency", "Leadership & Teamwork".

Inspired by great examples, teams then decided on local action plans and Exec. Mgmt. decided to implement 4 initiatives GSV-wide, one being to secure digital access for all employees by handing out a tablet/mobile device to all employees.

BOARD OF DIRECTORS

			
	CARSTEN NYGAARD KNUDSEN **Chairman of the board**	**PETER RYTTERGAARD** **Deputy chairman**	**STEVE JAMES CORCORAN** **Board member**
Year of birth	1961	1970	1960
Joined the board	2015	2015	2017
Directorships	**Executive Board:** Søgaarden Sjælsø ApS . **Chairman:** G.S.V. Holding A/S, G.S.V. Materieludlejning A/S, Glunz & Jensen Holding A/S, Selandia Park A/S, Glunz & Jensen A/S, Black Topco ApS, Dane TopCo ApS, Tresu A/S, Tresu Investment A/S, Tresu Group Holding, Tresu Investment Holding A/S. **Member of the Board of Directors:** Lyngsoe System Holding A/S, Lyngsoe System A/S, Stibo Fonden, Stibo Holding A/S, Stibo Ejendomme A/S, Languagewire A/S, Languagewire Holding A/S.	**Executive Board:** Ryttergaard Invest A/S, Buldus ejendomme ApS, Investeringsselskabet af 27/12 1985 ApS, CataCap OP ApS, CataCap DM ApS, CataCap DM II ApS, CC II Management Invest 2017 GP ApS, CATACAP GENERAL PARTNER I ApS, Mobylfie DM ApS, Casa ManCo ApS, TPA Green ManCo ApS, LW ManCo ApS, CC Fly Invest ApS, Rekom ManCo ApS. **Chariman:** Skybrands Holding A/S. **Deputy chairman:** G.S.V. Holding A/S, G.S.V. Materiel-udlejning A/S, TPA Holding I A/S, TPA Holding II A/S, TP Aerospace Holding A/S. **Member of the Board Directors:** Kjærulff Pedersen A/S, CataCap Management A/S, CataCap General Partner II ApS, CC Orange Invest ApS, Mobylife Holding A/S, Mobylife DK A/S, Mobylife AB, Mobylife AS, Mobylife OY, CC Track Invest ApS, CC Explorer Invest ApS, HB-Care Holding A/S, HB-Care A/S, HB-Care Leasing ApS, CC Sky Invest ApS, CC Tool Invest ApS, CC Oscar Invest ApS, CC Oscar Holding I A/S, CASA A/S, CC Green Wall Invest ApS, CC Lingo Invest ApS.	**Member of the Board Directors:** G.S.V. Holding A/S, Hawk Plant (UK) Ltd, Hawk Plant Hire Ltd, Hawk Hire Ltd, Hawk Plant Ltd, Hawk Plant Sales Ltd, Safety & Training Ltd, Enverity Ltd, EPS Plant Ltd

			
	VILHELM EIGIL HAHN PETERSEN **Board member**	**JENS NYHUS** **Board member**	**DAN VORSHOLT** **Board member**
Year of birth	1960	1965	1973
Joined the board	2015	2015	2015
Directorships	**Executive Board:** Myco ApS, CataCap OP ApS, CataCap DM ApS, CataCap DM II ApS, CC II Management Invest 2017 GP ApS, CATACAP GENERAL PARTNER I ApS, Mobylfie DM ApS, Casa ManCo ApS, TPA Green ManCo ApS, LW ManCo ApS, CC Fly Invest ApS, Rekom ManCo ApS. **Chairman:** Dime af 5. december 2018 A/S, CC Green Wall Invest ApS, CC Lingo Invest ApS. **Deputy chairman:** Mobylife Holding A/S, Mobylife DK A/S. Mobylife AB, Mobylife AS, Mobylife OY, CC Oscar Holding I A/S, CASA A/S, Rekom Group A/S, CC Fly Holding I ApS, CC Fly Holding II A/S. **Member of the Board of Directors:** Airhelp Inc., CataCap Management A/S, CataCap General Partner II ApS, CC Orange Invest ApS, CC Track Invest ApS, Lyngsoe Systems Holding A/S, Lyngsoe Systems A/S, Skybrands Holding A/S, CC Explorer Invest ApS, CC Tool Invest ApS, G.S.V. Holding A/S, G.S.V. Materieludlejning A/S, CC Oscar Invest ApS, TPA Holding I A/S, TPA Holding II A/S, TP Aerospace Holding A/S.	**Executive Board:** Carlsberg Byen P/S. **Member of the Board of Directors:** Full list see page 75. SEE LIST	**Executive Board:** DOV Holding ApS, DHS Invest ApS. **Executive Board and member of the Board of Directors:** G.S.V. Holding A/S, G.S.V. Materieludlejning A/S

Number of shares held by the board of directors: A-shares: 251,173. B-shares: 16,034

EXECUTIVE BOARD

			
	DAN VORSHOLT **CEO**	**FRANK OLESEN** **COO**	**MICHAEL TORPE** **CFO**
Year of birth	1973	1961	1970
Year of employment	1996	2018	2018
Directorships	**Executive Board:** DOV Holding ApS, DHS Invest ApS. **Executive Board and member of the Board of Directors:** G.S.V. Materieludlejning A/S, G.S.V. Holding A/S.	**Executive Board:** FSFPOS2014, Projector Holding A/S. **Executive Board:** G.S.V. Materieludlejning A/S., G.S.V. Holding A/S. **Board of Directors:** Projector A/S, Keolis Danmark.	**Executive Board:** G.S.V. Materieludlejning A/S, G.S.V. Holding A/S.

Number of shares held by the Executive Board: A-shares: 247,555. B-shares: 19,760

STATEMENT BY MANAGEMENT

The Board of Directors and the Executive Board have today discussed and approved the annual report of GSV Holding A/S for the financial year 1 January - 31 December 2018.

The annual report is prepared in accordance with International Financial Reporting Standards as adopted by the EU and Danish disclosure requirements according to 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 2018 and of the results of the Group's and the Parent Company's operations and cash flows for the financial year 1 January – 31 December 2018.

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, cash flows and of the Group's and the Parent Company's financial position and a description of the most significant risks and uncertainties that the Group faces.

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

Hedehusene, 1 March 2019

Executive Board:

Dan Vorsholt

Frank Olesen

Michael Torpe

Board of Directors:

Carsten Nygaard Knudsen
Chairman

Peter Ryttergaard
Deputy chairman

Steve James Corcoran

Vilhelm Eigil Hahn Petersen

Jens Nyhus

Dan Vorsholt

INDEPENDENT AUDITOR'S REPORT

To the shareholders of G.S.V. Holding A/S

Opinion

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 2018 and of the results of the Group's and Parent Company's operations and cash flows for the financial year 1 January – 31 December 2018 in accordance with the International Financial Reporting Standards as adopted by the EU and additional requirements in the Danish Financial Statements Act.

Audited financial statements

G.S.V. Holding A/S' consolidated financial statements and separate financial statements for the financial year 1 January – 31 December 2018 comprising the income statement, statement of comprehensive income, balance sheet, statement of changes in equity and notes, including summary of significant accounting policies, for the Group as well as for the Parent Company (the financial statements). The financial statements are prepared in accordance with the International Financial Reporting Standards as adopted by the EU and additional requirements in the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standard 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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 rules and requirements.

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.

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.

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 International Financial Reporting Standards as adopted by the EU and additional requirements in 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.

In preparing the 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 unless Management either intends to liquidate the Group or the Parent 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 applicable 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 financial statement users taken 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.

- 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 Parent 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.

Copenhagen, 1 March 2019

KPMG
Statsautoriseret Revisionspartnerselskab
CVR no. 25 57 81 98

Henrik O. Larsen
State Authorised
Public Accountant
MNE no. 15839

Klaus Rytz
State Authorised
Public Accountant
MNE no. 33205

CONSOLIDATED FINANCIAL STATEMENTS

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PRIMARY STATEMENTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

DKK'000	Note	2018	2017	2016
Revenue	**3**	**834,021**	**843,841**	**862,862**
Direct costs	4	-328,082	-334,181	-343,796
Other operating income		28,611	27,364	17,220
Other external costs	5	-44,688	-49,711	-63,163
Gross profit/loss		**489,862**	**487,313**	**473,123**
Staff costs	6	-190,939	-192,604	-180,213
Profit/loss before interest, taxes, depreciation and amortisation (EBITDA)		**298,923**	**294,709**	**292,910**
Depreciation, amortisation and impairment losses	7	-187,355	-182,942	-198,725
Special items	8	-8,833	-20,167	-9,000
Operating profit (EBIT)		**102,735**	**91,600**	**85,185**
Finance income		181	371	209
Finance costs	9	-21,153	-28,032	-24,021
Profit/loss before tax		**81,763**	**63,939**	**61,373**
Tax on profit/loss for the year	10	-18,315	-22,406	-11,954
Profit/loss for the year / total comprehensive income		**63,448**	**41,533**	**49,419**
Profit/loss for the year / total comprehensive income is attributable to:				
Shareholders in G.S.V. Holding A/S		63,448	41,533	49,419
Profit/loss for the year / total comprehensive income		**63,448**	**41,533**	**49,419**

CONSOLIDATED BALANCE SHEET

DKK'000	Note	2018	2017	2016
ASSETS				
Non-current assets				
Intangible assets	11	357,666	357,164	357,878
Property, plant and equipment	12,17	1,064,793	1,064,829	1,085,025
Deposits	13	7,958	6,724	5,174
Total non-current assets		**1,430,417**	**1,428,717**	**1,448,077**
Current assets				
Finished goods for resale and spare parts		14,569	14,548	22,301
Trade receivables	14	116,105	146,545	139,569
Other receivables	14	301	452	595
Receivables from Parent Company		0	0	31
Prepaid costs	14	20,288	2,631	1,615
Cash and cash equivalents		2,539	4,309	68,421
Total current assets		**153,802**	**168,485**	**232,532**
Total assets		**1,584,219**	**1,597,202**	**1,680,609**

DKK'000	Note	2018	2017	2016
EQUITY AND LIABILITIES				
Equity				
Share capital	15	4,996	4,955	4,955
Share premium		49,405	47,148	47,148
Retained earnings		549,959	488,494	447,673
Total equity		**604,360**	**540,597**	**499,776**
Liabilities				
Non-current liabilities				
Deferred tax	16	103,175	94,722	92,903
Loans from credit institutions	24	171,100	251,469	300,416
Lease liabilities	24	344,630	352,142	340,413
Total non-current liabilities		**618,905**	**698,333**	**733,732**
Current liabilities				
Loans from credit institutions	24	50,369	28,000	195,794
Loans from Parent Company	24	112	246	0
Lease liabilities	24	126,789	126,768	118,348
Banks		39,023	33,487	35
Prepayments received from customers		0	9,040	8,594
Trade payables		107,916	112,114	70,269
Current tax payable		3,566	10,813	18,665
Other payables		33,179	37,804	35,396
Total current liabilities		**360,954**	**358,272**	**447,101**
Total liabilities		**979,859**	**1,056,605**	**1,180,833**
Total equity and liabilities		**1,584,219**	**1,597,202**	**1,680,609**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

DKK'000	Share capital	Retained earnings	Share premium	Total equity
Equity at 1 January 2018	**4,955**	**488,494**	**47,148**	**540,597**
Total comprehensive income for 2018				
Profit/loss for the year/ other comprehensive income	0	63,448	0	63,448
Total comprehensive income for the year	**0**	**63,448**	**0**	**63,448**
Transactions with owners				
Share capital increase	41	0	2,257	2,298
Purchase of treasury shares	0	-1,983	0	-1,983
Total transactions with owners	**41**	**-1,983**	**2,257**	**315**
Equity at 31 December 2018	**4,996**	**549,959**	**49,405**	**604,360**

DKK'000	Share capital	Retained earnings	Share premium	Total equity
Equity at 1 January 2017	**4,955**	**447,673**	**47,148**	**499,776**
Total comprehensive income for 2017				
Profit/loss for the year/ other comprehensive income	0	41,533	0	41,533
Total comprehensive income for the year	**0**	**41,533**	**0**	**41,533**
Transactions with owners				
Purchase of treasury shares	0	-712	0	-712
Total transactions with owners	**0**	**-712**	**0**	**-712**
Equitiy at 31 December 2017	**4,955**	**488,494**	**47,148**	**540,597**

DKK'000	Share capital	Retained earnings	Share premium	Total equity
Equity at 1 January 2016	**4,407**	**398,454**	**0**	**402,861**
Total comprehensive income for 2016				
Profit/loss for the year/ other comprehensive income	0	49,419	0	49,419
Total comprehensive income for the year	**0**	**49,419**	**0**	**49,419**
Transactions with owners				
Share capital increase	548	0	47,148	47,696
Purchase of treasury shares	0	-200	0	-200
Total transactions with owners	**548**	**-200**	**47,148**	**47,496**
Equity at 31 December 2016	**4,955**	**447,673**	**47,148**	**499,776**

CONSOLIDATED CASH FLOW STATEMENT

DKK'000	Note	2018	2017	2016
Profit/loss for the year		63,448	41,533	49,419
Depreciation, amortisation and impairment losses		187,355	182,942	198,725
Other adjustments of non-cash operating items	20	18,248	30,582	-14,630
Cash flow from operating activities before changes in working capital		**269,051**	**255,057**	**233,514**
Changes in working capital	21	-13,431	35,201	10,987
Cash flow from operating activities		**255,620**	**290,258**	**244,501**
Interest income received		181	371	209
Interest expense paid		-21,153	-28,032	-24,021
Income taxes paid		-17,409	-28,394	0
Cash flow from operating activities		**217,239**	**234,203**	**220,689**
Purchase of intangible assets	11	-2,282	-910	-10,150
Purchase of property, plant and equipment	12,22	-101,447	-32,625	-4,571
Proceeds from sale of property, plant and equipment	12	59,042	58,403	53,868
Acquisition of subsidiaries and activities	19	0	0	-353,376
Cash flow from investing activities		**-44,687**	**24,868**	**-314,229**

DKK'000	Note	2018	2017	2016
Payment of debt to credit institutions		-58,000	-216,741	-10,000
Proceeds from debt to credit institutions		5,536	33,452	214,190
Payment of lease liabilities		-122,039	-139,459	-109,981
Payment of debt to Parent Company		-134	0	-31
Proceeds of debt to Parent Company		0	277	0
Purchase of treasury shares		-1,983	-712	-200
Capital increase		2,298	0	47,696
Cash flow from financing activities		**-174,322**	**-323,183**	**141,674**
Cash flows for the year		**-1,770**	**-64,112**	**48,134**
Cash and cash equivalents at beginning of year		4,309	68,421	20,287
Cash and cash equivalents at year end		**2,539**	**4,309**	**68,421**
Unutilised credit facilities at year end		**23,625**	**12,692**	**30,929**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 ACCOUNTING POLICIES

The consolidated financial statement included in the annual report for 2018 is presented in accordance with International Financial Reporting Standards as adopted by the EU and Danish disclosure requirements in the Danish Financial Statements Act for annual reports of reporting class C (large) entities.

The financial statements are presented in Danish kroner (DKK), which is the Parent Company' and the reporting entities' functional currency.

The financial statements for the Parent Company as well as the Parent Company's accounting policies are presented separately from the consolidated financial statements.

The financial statements are presented with comparative figures for the two previous years in order to supply increased trend information.

GSV has implemented all IFRS standards and interpretations that are obligatory for 2018 annual statements. None of these have impacted the company in 2018 and they are not expected to have future impact.

Reclassifications
Reclassifications have been made in individual items in the comprehensive income and balance sheet, including in the specification in the notes. This has not affected the result and equity of this year, last year and the year before that and has been made solely to ensure the comparability of the individual items in the financial statements.

The reclassifications are:
1. In the consolidated statement of comprehensive income management has decided to include the line "Special items" in order to inform the users of the annual report of the run-rate performance of the Group. Special items include cost that is non-recurring.
2. Reclassification of comparative balance sheet figures from previous years in order to present the corret comparative balance sheet and cash flow statements. In the balance sheet an intercompany receivable in 2016 of 151,248k was reclassified from "Recevable from parent company" to "Receivable from group companies". Additionally in the balance sheet a current liability in 2016 of 165,794k was reclassified from "Lease liabilities" to "Loans from credit institutions".

Consolidated financial statements
The consolidated financial statements comprise the Parent Company, G.S.V. Holding A/S, and subsidiaries over which the Parent Company exercises control. The Parent Company is considered to exercise control over another entity when the Company has the voting power in the subsidiary, the possibility or right to receive dividends from the subsidiary and possibility to use the voting power to influence the rate of dividends.

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 interests 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 acquisition method is applied under which identifiable assets and liabilities are measured at fair value at the date of acquisition. Restructuring costs that are already recognised by the acquiree at the acquisition date and that are not a part of the acquisition are included in the acquisition balance sheet and thus the determination of goodwill. Restructuring that is recognised by the acquirer at or after the date of acquisition is recognised in the income statement. The tax effect of revaluations is recognised as deferred tax.

Positive differences (goodwill) between the purchase consideration and the fair value of identifiable assets and liabilities acquired, including contingent liabilities, are recognised as intangible assets. Goodwill is not amortised but must be tested for impairment at least once a year. The initial impairment test is conducted before the end of the year of acquisition. Negative goodwill is recognised as income in the income statement at the acquisition date.

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 financial statements from the date of acquisition. Sold or discontinued entities are recognised until the date of disposal. Comparative figures are not adjusted to reflect newly acquired entities.

Business combinations such as purchases and sales of equity, mergers, divisions, asset transfers and share exchanges, etc. between companies under the control of the Group, are treated as a common control transaction.

The merger is considered as completed at the acquisition date. Differences between the agreed consideration and the acquired Group's carrying amount are recognised in equity.

Foreign currency translation
For each of the reporting entities in the group, a functional currency is determined. The functional currency is the currency used in the primary financial environment in which the individual reporting

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 ACCOUNTING POLICIES, continued

entity operates. Transactions in other currencies than the functional currency are considered transactions in foreign currencies.

On initial recognition, transactions denominated in foreign currencies are translated into the functional currency 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 finance income or finance costs.

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 finance income or finance costs.

Revenue
Revenue consist of rental income from construction equipment, related services and goods. Rental income from short-term rental agreements and operating leases is recognised straight-line in the income statement according to the agreed term of the contract, during which the customer has the right to use the underlying asset. Revenue from the sale of goods and services is recognised when control over a good or service has been transferred to the customer. Revenue is measured based on the consideration specified in the contract with a customer and excludes amounts collected on behalf of third parties, i.e. excluding VAT and other taxes charged. All discounts granted are deducted from revenue.

Direct costs
Direct costs include costs which are directly related to the activity such as purchase of equipment, rental expenses, fleet preparation costs and transportation costs.

Other operating income
Other operating income comprises items secondary to the activities of the entities, including gains on the disposal of intangible assets and property, plant and equipment.

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

Staff costs
Staff costs comprise wages and salaries, including holiday allowance and pensions as well as other social security costs, etc. for the Company's employees. Refunds from public authorities have been deducted from staff costs.

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

Special items
Special items are used in connection with the presentation of profit or loss for the year to distinguish consolidated operating profit from exceptional items, which by their nature are not related to the Group's ordinary operations or investment in future activities.

Special items comprise:
- Restructuring costs, impairment costs, etc. relating to fundamental structural, procedural and managerial reorganisations as well as any related gains or losses on disposals.
- Transaction and restructuring costs relating to acquisition and divestment of enterprises.

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

Finance income and costs 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
Tax for the year, which comprises current tax for the year and changes in deferred tax, including changes in tax rates, is recognised in the income statement, in other comprehensive income or directly in equity.

The Parent Company is part of a joint taxation scheme. Current Danish tax is allocated between the jointly taxed companies in proportion to their taxable income (full absorption).

The jointly taxed companies are taxed under the on-account tax scheme.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 ACCOUNTING POLICIES, continued

BALANCE SHEET

Intangible assets
Goodwill
Goodwill from business combinations is measured at cost less impairment losses. Goodwill is not amortised. Goodwill is allocated to cash-generating units, which are tested for impairment at least once a year. The value is written down to the recoverable amount if the carrying amount exceeds the recoverable amount of the cash-generating unit to which the goodwill relates. Write-down is recognised as a separate line item in the income statement and cannot be reversed in later periods.

Software
Software is measured at cost less accumulated amortisation. Software is amortised on a straight-line basis after entry into service over the estimated useful life, which is 3 to 7 years.

Property, plant and equipment
Rental equipment and fixtures and fittings, tools and equipment and leasehold improvements 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. Moreover, cost includes the present value of estimated liabilities of dismantling and of removing the asset as well as restoring the site at which the asset has been used.

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.

The basis of depreciation is cost less expected 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	5-15 years
Leasehold improvements	5-15 years
Fixtures and fittings, tools and equipment	5-15 years

The depreciation period and residual value are determined at the date of acquisition and reassessed annually.

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
As lessee
The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition. The right-of-use asset is reduced by impairment losses, if any, and adjusted tor certain re-measurements of the lease liability.

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with such leases as an expense on a straight-line basis over the lease term.

As lessor
The Group determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease the Group makes an overall assessment based on certain indicators of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease.

Deposits
Deposits are measured at fair value at initial recognition. Receivables are subsequently measured at amortised cost.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 ACCOUNTING POLICIES, continued

Equity interests in subsidiaries
Equity interests in subsidiaries are measured at cost in the Parent Company's separate financial statements. Cost includes purchase consideration at fair value with the addition of direct purchase costs.

The impairment test is conducted as set out under the section "Impairment test of non-current assets".

When other reserves than post-acquisition profits earned in subsidiaries are distributed, the distribution is recognised in the profit/loss of the Parent Company. When dividends exceed the profit of the year in a subsidiary an impairment test of the carrying amount of the equity interests is prepared.

Impairment of non-current assets
Goodwill
Goodwill is subject to an annual impairment test, initially before the end of the year of acquisition.

The carrying amount of goodwill is tested for impairment together with the other non-current assets in the cash-generating unit or the group of cash-generating units to which goodwill is allocated and written down to the recoverable amount in the income statement if the carrying amount is higher. Generally, the recoverable amount is calculated as the present value of projected net cash flows (value in use) from the cash-generating unit to which goodwill is allocated.

Other non-current assets
The carrying amount of other non-current assets is assessed annually to determine whether there is any indication of impairment. When indication of impairment exists, the recoverable amount of the asset is calculated. The recoverable amount is the higher of an asset's fair value less costs of disposal or its value in use. The value in use is determined as the present value of the forecast net cash flows from the asset or the cash-generating unit to which the asset belongs.

Recognition of impairment losses in the income statement
An impairment loss is recognised when the carrying amount of the asset or the cash-generating unit is higher than the recoverable amount of the asset or the cash-generating unit. The impairment loss is recognised as depreciation/amortisation of property, plant and equipment and intangible assets in the income statement. Impairment losses on goodwill are recognised as a separate line item in the income statement.

Impairment losses on goodwill is not reversed. Impairment losses on other assets are reversed in case of changes in the assumptions and estimates that brought about the impairment loss. Impairment losses are only reversed to the extent that the asset's new carrying amount does not exceed the carrying amount that the asset would have had less depreciation/amortisation if the asset had not been subject to an impairment write-down.

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 spare parts 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 based on the simplified expected credit loss model

Financial assets are continually monitored in accordance with the company's risk policy. Impairment losses are recorded based on the projected loss percentage. The loss percentage is determined based on historical data for losses adjusted with the estimated effect of changes in the relevant loss-making parameters, such as economic growth, interest rates, unemployment, etc. in Denmark. The total losses are recognised in the income statement based on the expected loss throughout the duration of the receivable.

Prepaid costs
Prepaid costs are measured at cost.

Equity
Dividends
Proposed dividends are recognised as a liability at the date on which they are adopted at the annual general meeting (declaration date). The expected dividend payment for the year (declaration date) is disclosed as a separate item under equity.

Treasury shares
Where the Parent Company purchases its own equity share capital, the consideration paid is deducted from total shareholders' equity and classified as treasury shares until such shares are cancelled or reissued. Where such shares are subsequently sold or reissued, any consideration received is included in total shareholders' equity. No gains or losses are recognised in the purchase, sale, cancellation or issue of treasury shares.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 ACCOUNTING POLICIES, continued

Other reserves
Other reserves consist of premium on capital increase.

Income taxes and deferred tax
The Parent Company is jointly taxed with G.S.V. Materieludlejning A/S and CC Tool Invest ApS.

Current joint tax contribution 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.

Deferred tax assets, including the tax value of tax loss carry-forwards, 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 reporting 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.

Provisions
Provisions are recognised when the Company, as a result of a past event has a present legal or constructive obligation, and it is probable that there will be an outflow of economic benefits to settle the liability.

Provisions are measured at Management's best estimate of the amount at which the liability is expected to be settled.

On measurement of provisions, the costs necessary to settle the provision is discounted to net present value if it has a material effect on the measurement of the provision. A pre-tax discount rate is used which reflects the current market assessment of the time value of money and the risks specific to the liability. The un-winding of discount is recognised as finance costs.

Liabilities
At initial recognition, financial liabilities are measured at fair value less transaction costs. Subsequently, 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.

Other liabilities are measured at amortised cost.

Lease liabilities
Lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the incremental borrowing rate. Lease payments included in the measurement of the lease liability comprise fixed payments, variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date; amounts expected to be payable under a residual value guarantee; and the exercise price under a purchase option that the Group is reasonably certain to exercise. Lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is subsequently measured at amortised cost using the effective interest method.

Prepayments from customers
Prepayments from customers recognised as liabilities comprise advance invoicing regarding income in subsequent years.

Fair value measurement
The Group uses the fair value concept for certain disclosure requirements and the recognition of deposits. Fair value is defined as the price obtained when selling the asset or to be paid for transferring the liability in ordinary transaction between market participants ("exit price").

Fair value is market based and not a company-specific valuation. The Company relies on the assumptions that the market participants would make use of when determining the price for the asset or liability on the basis of the current market situation, including assumptions of risk. The Company's purpose with holding the asset or settling the liability is not taken into accounting when fair value is determined.

Fair value is measured based on the primary market. If such a market does not exist, fair value is measured based on the more favourable market, which is the market that maximises the price of the asset or liability less transaction and/or transportation costs.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 ACCOUNTING POLICIES, continued

To the extent possible, fair value measurement relies on quoted values in active markets (Level 1) or alternatively on values derived from observable market data (level 2).

To the extent that such observable data are not available or cannot be used without a high degree of modification, recognised valuation methods as well as reasonable estimates over the basis for fair values (level 3) are used.

CASH FLOW STATEMENT

The statement of cash flows show the consolidated cash flows for the year broken down by operating activities, investing activities and financing activities for the year, changes in cash and cash equivalents for the year as well as cash and cash equivalents at the beginning and end of the year.

Investing and financing transactions that do not require the use of cash or cash equivalents are excluded from the cash flow statement. Non-cash transactions are disclosed in the notes.

The impact on liquidity from the acquisition and sale of entities is recognised as a separate line item under cash flows from investing activities. In the cash flow statement, cash flows from entities acquired are recognised in the cash flow statement from the date of acquisition, and entities divested up to the date of divestment.

Cash flows from operating activities

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

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 contributed capital and costs in this respect as well as raising of loans, instalments on interest-bearing debt and distribution of dividend to owners.

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 have been calculated in accordance with the guidelines from the DanishSociety of Financial Analysts, and supplemented by certain key ratios for G.S.V. Holding A/S. Financial ratios are described below and in the section "Non-IFRS financial measures".

Gross margin	Gross profit x 100 / Revenue
EBITDA margin*	EBITDA x 100 / Revenue
Operating margin before Speciel items*	(EBITDA – Speciel items) x 100 / Revenue
Operating margin	Operating profit x 100 / Revenue
Return on invested capital excl. Goodwill	Operating profit x 100 / Average invested capital excl. Goodwill
Invested capital excl. Goodwill	Intangible assets excl. Goodwill and property, plant and equipment as well as net working capital
Current ratio	Current assets x 100 / Short-term debt
Return on equity	Profit from ordinary activities after tax x 100 / Average equity
Solvency ratio	Equity ex.non-controlling interests at year end x 100 / Total equity and liabilities at year end

* **Non-IFRS financial measures.** The Group presents financial measures in the Annual Report that are not defined according to IFRS. The Group believes these non-GAAP measures provide valuable information to the Group's management when evaluating performance. Since other companies may calculate these differently from the Group, they may not be comparable to the measures used by other companies. These financial measures should therefore not be considered to be a replacement for measures defined under IFRS.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2 SIGNIFICANT ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

Significant estimation uncertainties and assumptions
The calculation of the carrying amount of certain assets and liabilities requires estimates and assumptions about the future.

The estimates and assumptions made are, among others, based on historical experience and other factors, which Management considers appropriate according to the circumstances, but which by nature are uncertain and unpredictable. Prerequisites may be incomplete or inaccurate, and unexpected events or circumstances may occur. Due to the risks and uncertainties to which the Company is subject, actual outcomes may deviate from the estimates made.

It may be necessary to change past estimates due to changes in the circumstances that were the basis of the previous estimates or due to new knowledge or subsequent events.

Estimates that are particularly significant for the financial reporting are made i.a. upon business combinations in connection with purchase price allocation, upon impairment test of goodwill and upon determination of lease terms for property leases.

Upon business combinations, the assets, liabilities and contingent liabilities of the acquiree must be identified and valued at fair value. Typically, there are no active markets for these assets and liabilities that can be used for fair value measurement, thus valuation models with input of variables are used. The fair value may therefore be subject to uncertainty and may be subject to subsequent adjustments.

The annual impairment test of goodwill is estimated by i.a. expected future cash flows, discount rate, etc. These estimates may be subject to uncertainty and may change the calculation if the parameters change. However, Management has estimated that there is no impairment of goodwill and no need for the preparation of sensitive analyses as Management has assessed that any reasonably possible change in the key assumptions will not lead to impairment. The matter is described in further detail in note 11.

The Company's property leases allow for extension at the discretion of the Company. The determination of the lease term is significant to the calculation of lease liabilities and right-of-use assets, and consequently, due to discounting, to depreciation and interest costs of the year. Management has assessed the probable lease term for individual leases in relation to the Company's strategic goals and current plans. If these goals and plans are changed, the lease liabilities and right-of-use assets are revised. The matter is described in further detail in note 17.

Significant accounting judgements in applying the accounting policies
In the process of applying the Company's accounting policies, Management makes judgements, apart from those involving estimations, which may have a significant effect on the amounts recognised in the financial statements.

Management has assessed sale and leaseback transactions concluded in 2018 regarding the Group's rental equipment of DKK 20 million. Management has assessed that the transfer of the assets does not satisfy the requirements to be accounted for as a sale. The transactions are therefore accounted for as financing arrangements with security in the underlying assets.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3 REVENUE

DKK'000	2018	2017	2016
Machinary and equipment	589,317	601,686	626,525
Pavilion and modular space	244,704	242,155	236,337
	834,021	**843,841**	**862,862**
Portions related to lease income	**618,841**	**643,770**	**676,750**

4 DIRECT COSTS

DKK'000	2018	2017	2016
Rental cost	91,215	95,465	118,868
Sale of new equipment cost	0	3,356	6,617
Fleet preparation cost	13,329	9,482	10,083
Transport cost	58,484	54,581	62,739
Inventory cost	70,545	74,437	71,489
Write-down of inventories	-676	1,298	193
Other service cost	95,185	95,562	73,807
	328,082	**334,181**	**343,796**

5 FEES TO AUDITOR APPOINTED AT THE GENERAL MEETING

DKK'000	2018	2017	2016
Statutory audit fees	478	469	500
Tax advisory services	41	41	49
Other services	1,167	1,375	138
Total fees to KPMG	**1,686**	**1,885**	**687**

6 STAFF COSTS

DKK'000	2018	2017	2016
Payroll costs	170,670	173,170	161,492
Pensions	15,273	14,972	14,486
Other staff costs	4,996	4,462	4,235
	190,939	**192,604**	**180,213**
Average number of full-time employees	**384**	**392**	**398**

Portion relating to remuneration of the Executive Board and the Board of Directors:

DKK '000	Board of Directors	Executive Board	Total
2018			
Salaries and fees	800	3,461	4,261
Pensions	0	163	163
	800	**3,624**	**4,424**
2017			
Salaries and fees	850	4,080	4,930
Pensions	0	0	0
	850	**4,080**	**4,930**
2016			
Salaries and fees	600	4,496	5,096
Pensions	0	0	0
	600	**4,496**	**5,096**

The above figure includes management remuneration in the companies merged.

The Executive Board and other executives have bonus schemes based on the Company's financial performance during the financial year and individual goals.

There has been a change in the Executive Board in 2018 as the Executive Board has been increased from CEO and CFO in 2016-2017 to CEO, CFO and COO in 2018.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

7 DEPRECIATION, AMORTISATION AND IMPAIRMENT LOSSES

DKK'000	2018	2017	2016
Intangible assets			
Amortisation	1,780	1,624	1,396
Tangible assets			
Depreciations	185,575	181,318	197,329
	187,355	**182,942**	**198,725**

8 SPECIAL ITEMS

DKK'000	2018	2017	2016
Merger cost	295	8,090	9,000
Organisation restructure	5,121	3,543	0
Prep of ownership change	193	8,534	0
Acquisition cost of Ramirent	3,224	0	0
	8,833	**20,167**	**9,000**

8 SPECIAL ITEMS, CONTINUED

DKK'000	2017 in annual report 2017	Adjustment	Adjusted 2017
Other external costs	-69.878	-20.167	-49.711
Gross profit/loss	**467.146**	**-20.167**	**487.313**
Profit/loss before interest, taxes, depreciation and amortisation (EBITDA)	**274.542**	**-20.167**	**294.709**
Special items	0	20.167	-20.167

DKK'000	2016 in annual report 2016	Adjustment	Adjusted 2016
Other external costs	-72.163	-9.000	-63.163
Gross profit/loss	**464.123**	**-9.000**	**473.123**
Profit/loss before interest, taxes, depreciation and amortisation (EBITDA)	**283.910**	**-9.000**	**292.910**
Special items	0	9.000	-9.000

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

9 FINANCE COSTS

DKK'000	2018	2017	2016
Interest element, discounted lease obligations	11,066	10,947	11,129
Credit institutions	9,612	10,277	7,738
Other	475	6,808	5,154
	21,153	**28,032**	**24,021**
Total interest cost related to financial liabilities measured at amortised cost	**21,153**	**28,032**	**24,021**

10 TAX ON PROFIT/LOSS FOR THE YEAR

DKK'000	2018	2017	2016
Tax for the year can be divided as follows:			
Tax on profit/loss for the year	9,862	12,369	17,470
Deferred tax adjustment for the year	8,232	1,819	-5,516
Adjustment of tax relating to previous years	0	8,218	0
Adjustment of deferred tax relating to previous years	221	0	0
	18,315	**22,406**	**11,954**
Tax for the year can be accounted for as follows:			
Estimated 22% tax on profit before tax	17,988	14,067	13,502
Other costs not deductible and non-taxable income	106	121	-2,910
Adjustment relating to previous years	221	8,218	1,362
	18,315	**22,406**	**11,954**
Effective tax rate	**22%**	**35%**	**19%**

The significant change in effective tax rate is due to tax adjustments relating to previous years.

11 INTANGIBLE ASSETS

DKK'000	Software	Goodwill	Total
Cost at 1 January 2018	13,563	348,414	361,977
Additions	2,282	0	2,282
Cost at 31 December 2018	15,845	348,414	364,259
Amortisation and impairment losses at 1 January 2018	-4,813	0	-4,813
Amortisation	-1,780	0	-1,780
Amortisation and impairment losses at 31 December 2018	-6,593	0	-6,593
Carrying amount at 31 December 2018	**9,252**	**348,414**	**357,666**

DKK'000	Software	Goodwill	Total
Cost at 1 January 2017	12,653	348,414	361,067
Additions	910	0	910
Cost at 31 December 2017	13,563	348,414	361,977
Amortisation and impairment losses at 1 January 2017	-3,189	0	-3,189
Amortisation	-1,624	0	-1,624
Amortisation and impairment losses at 31 December 2017	-4,813	0	-4,813
Carrying amount at 31 December 2017	**8,750**	**348,414**	**357,164**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

11 INTANGIBLE ASSETS, CONTINUED

DKK'000	Software	Goodwill	Total
Cost at 1 January 2016	2,503	348,414	350,917
Additions	10,150	0	10,150
Cost at 31 December 2016	12,653	348,414	361,067
Amortisation and impairment losses at 1 January 2016	-1,793	0	-1,793
Amortisation	-1,396	0	-1,396
Amortisation and impairment losses at 31 December 2016	-3,189	0	-3,189
Carrying amount at 31 December 2016	**9,464**	**348,414**	**357,878**

Impairment tests

An impairment test has been prepared of total goodwill allocated to the cash-generating unit, G.S.V. Holdng A/S. Goodwill is tested for impairment at least once a year and more frequent if there are indicators of impairment. The annual impairment test is made at 31 December.

The recoverable amount is calculated based on the cash-generating unit's value in use.

The main assumptions are discount factors and growth rates in the terminal period as well as expected changes in revenue, market shares, sales prices and operating costs in the budget, forecast and terminal periods.

The discount factor reflects market assessments of the time value of money calculated based on a risk-free interest rate and the specific risks associated with the cash-generating unit. Discount factors are calculated on an 'after tax' basis using Weighted Average Cost of Capital (WACC).

For the purpose of calculating the cash-generating unit's value in use, the cash flows from the Board-approved budget for 2019 are used. After 2019 a 4 year forecast period are used. For financial years after the budget and forecast period (terminal period), cash flows of the last forecast period of 5 years adjusted for a conservative estimate of market growth and expected additional market shares.

11 INTANGIBLE ASSETS, CONTINUED

The growth rate used in the forecast period (2.5%) and the terminal period (2.5%) respectively is based on industry forecasts.

The Group's budgets and forecasts, and thus the calculation of the recoverable amount (value in use), are significantly influenced by Management's expectations of the Group's growth up until 2023. The Group's expected market shares are thus calculated on the basis of the current market share at the end of 2018 adjusted for a conservative estimate of expected additional market shares.

Management considers the growth rates used, including increases in market shares and thus budgets and forecasts, to be realistic. Even a significant reduction in budgeted growth rates of up to 2.5% will not lead to impairment.

Estimated changes in selling prices and operating costs in the budget and terminal periods are based on historical experience and expectations of future market changes.

The impairment test does not lead to impairment.

The key assumptions used to calculate the recoverable amount are as follows:

	Market share	Revenue	Gross margin	Discount factor pre-tax %	Discount factor post-tax %
2018	22%	834	59%	6.5%	6.0%
2017	22%	844	58%	6.5%	6.0%
2016	23%	863	55%	8.5%	6.6%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

12 PROPERTY, PLANT AND EQUIPMENT

DKK'000	Rental equipment	Fixtures and fittings, tools and equipment	Leasehold improve-ments	Total
Cost at 1 January 2018	1,831,170	196,339	34,707	2,062,216
Additions	177,821	37,716	458	215,995
Disposals	-133,750	-12,701	-3,468	-149,919
Cost at 31 December 2018	1,875,241	221,354	31,697	2,128,292
Depreciation and impairment losses at 1 January 2018	-886,653	-96,205	-14,529	-997,387
Depreciation	-154,195	-28,810	-2,570	-185,575
Depreciation on disposals	108,260	11,759	-556	119,463
Depreciation and impairment losses at 31 December 2018	-932,588	-113,256	-17,655	-1,063,499
Carrying amount at 31 December 2018	**942,653**	**108,098**	**14,042**	**1,064,793**
Portion related to assets held under leases	**444,214**	**101,332**	**0**	**545,546**

The Group has signed contracts for delivery of rental equipment in 2019 for a total of DKK 44 million (2018: DKK 35 million).

12 PROPERTY, PLANT AND EQUIPMENT, CONTINUED

DKK'000	Rental equipment	Fixtures and fittings, tools and equipment	Leasehold improve-ments	Total
Cost at 1 January 2017	1,802,101	180,305	25,576	2,007,982
Additions	156,318	26,500	9,415	192,233
Disposals	-127,249	-10,466	-284	-137,999
Cost at 31 December 2017	1,831,170	196,339	34,707	2,062,216
Depreciation and impairment losses at 1 January 2017	-831,073	-79,181	-12,703	-922,957
Depreciation	-152,723	-26,554	-2,041	-181,318
Depreciation on disposals	97,143	9,530	215	106,888
Depreciation and impairment losses at 31 December 2017	-886,653	-96,205	-14,529	-997,387
Carrying amount at 31 December 2017	**944,517**	**100,134**	**20,178**	**1,064,829**
Portion related to assets held under leases	**457,707**	**93,283**	**0**	**550,990**
Cost at 1 January 2016	1,686,180	159,449	25,096	1,870,725
Additions	206,949	38,143	552	245,644
Disposals	-91,028	-17,287	-72	-108,387
Cost at 31 December 2016	1,802,101	180,305	25,576	2,007,982
Depreciation and impairment losses at 1 January 2016	-719,251	-67,124	-10,831	-797,206
Depreciation	-169,734	-25,651	-1,944	-197,329
Depreciation on disposals	57,912	13,594	72	71,578
Depreciation and impairment losses at 31 December 2016	-831,073	-79,181	-12,703	-922,957
Carrying amount at 31 December 2016	**971,028**	**101,124**	**12,873**	**1,085,025**
Portions related to assets held under leases	**454,171**	**93,140**	**0**	**547,311**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

13 DEPOSITS

DKK'000	2018	2017	2016
Cost at 1 January	6,724	5,174	5,087
Additions	1,610	2,161	87
Disposals	-376	-611	0
Cost at 31 December	7,958	6,724	5,174
Carrying amount at 31 December	**7,958**	**6,724**	**5,174**

14 TRADE RECEIVABLES

Risks related to trade receivables arise upon sale. It is group policy to credit rate all customers prior to contracting and daily trading activities and to determine a credit maximum. Credit exposure on customers and counterparties are monitored on a monthly basis. In the credit rating of a given customer proves unsatisfactory, separate guarantees are required for the sale. If the credit maximum on a customer is reached, additional sales will be blocked.

The Group does not have a past record of major bad debts seen in proportion to industry standards.

At 31 December 2018, realised bad debts amounted to DKK 4 million (2017: 4 million). In proportion to revenue the amount was 0.6% (2017: 0.6%).

Apart from a single receivable of DKK 7 million, no individual customers or business partners pose any major risks (2017: DKK 7 million).

Prepayments form part of the assessment of required write-down for bad debts. Apart from the above, the Group has not taken any additional measures to reduce credit risks.

Trade receivables not written down are solely attributable to debtors in Denmark.

14 TRADE RECEIVABLES, CONTINUED

Trade receivables at 31 December, of which none has been written down, can be specified as follows:

DKK'000	2018	2017	2016
Maturity			
Current	54,066	109,970	62,643
Up to 30 days	52,686	22,710	46,692
Between 30 and 90 days	4,394	5,155	16,521
More than 90 days	4,959	8,710	13,713
	116,105	**146,545**	**139,569**

Expected loss on trade receivables can be specified as follows:

DKK'000	Loss procent	Receiv-ables	Expected loss	Total
Maturity				
Current	0%	54,199	-133	54,066
Up to 30 days	1%	53,066	-380	52,686
Between 30 and 90 days	19%	5,399	-1,005	4,394
More than 90 days	57%	11,441	-6,482	4,959
		124,105	**-8,000**	**116,105**

Write-down are registered for the individual receivable when the customer has entered into suspension of payments or bankruptcy proceedings.

The Group has entered into a 'Non-Recourse Factoring' agreement with BNP Paribas, where future benefits and risk of receivables from selected costumers are transferred from the Group to BNP Paribas. At 31 December 2018 DKK 43 million was received in connection with this agreement (2017: DKK 43 million).

Other receivables and prepaid costs
Prepaid costs are attributable to prepaid costs regarding rent, insurance premium, subscriptions and interest

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

15 EQUITY

Share capital

	Number of shares		Nominal value	
DKK'000	**A-shares**	**B-shares**	**A-shares**	**B-shares**
1 January 2016	4,299	108	4,299	108
Capital increase	536	12	536	12
31. december 2016	**4,835**	**120**	**4,835**	**120**
31. december 2017	**4,835**	**120**	**4,835**	**120**
Capital increase	8	33	8	33
31. december 2018	**4,843**	**153**	**4,843**	**153**

Treasury shares

	Number of shares			Nominal value (DKK'000)			% of share capital		
	2018	**2017**	**2016**	**2018**	**2017**	**2016**	**2018**	**2017**	**2016**
A-shares									
1 January	8,624	1,886	0	9	2	0	0%	0%	0%
Additions	2,910	6,738	1,886	3	7	2	0%	0%	0%
31. december	**11,534**	**8,624**	**1,886**	**12**	**9**	**2**	**0%**	**0%**	**0%**
B-shares									
1 January	16,976	3,772	0	17	4	0	0%	0%	0%
Additions	11,640	13,204	3,772	12	13	4	0%	0%	0%
31. december	**28,616**	**16,976**	**3,772**	**29**	**17**	**4**	**0%**	**0%**	**0%**

All treasury shares are owned by the Parent Company.

The Group continuously assesses the need for adjusting the capital structure to balance the higher return on equity against the increased uncertainty associated with external capital. The target for the solvency ratio is 20-30%.

The capital increase during 2018 did not generate any cost for the Company.

All shares are fully paid.

16 DEFERRED TAX

DKK'000	**2018**	**2017**	**2016**
Deferred tax at 1 January	94,722	92,903	98,419
Deferred tax for the year recognised in profit/loss for the year	8,453	1,819	-5,516
Deferred tax at 31 December	**103,175**	**94,722**	**92,903**
Deferred tax is recognised in the balance sheet as follows:			
Deferred tax (liability)	103,175	94,722	92,903
Deferred tax at 31 December, net	**103,175**	**94,722**	**92,903**
Deferred tax relates to:			
Intangible assets	2,024	1,906	2,057
Property, plant and equipment	205,615	198,082	191,773
Leases	-104,464	-105,266	-100,927
	103,175	**94,722**	**92,903**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

17 RIGHT-OF-USE ASSET AND LEASE LIABILITIES

The Group as lessee

The Group leases rental equipment, fixtures and fittings, tools and equipment, etc. The lease period is typically between 1 and 5 years. For trucks it is up to 7 years with the option of renewal after the end of the period and rentals up to 10 years. None of the lease agreements contain conditional leasing services.

The amounts capitalized in the balance comprise both purchased and leased assets.

DKK'000	Rental equipment	Fixtures and fittings, tools and equipment	Total
Carrying amount at 1 January 2018	457,707	93,283	550,990
Additions, net	-54,862	18,277	-36,585
Amortisation	41,369	-10,228	31,141
Carrying amount at 31 December 2018	**444,214**	**101,332**	**545,546**

DKK'000	2018	2017	2016
Expense relating to leases of low-value assets recognised in profit for the year	0	41	0
Income from subleasing right-of-use assets	197,701	147,218	118,334

DKK'000	Rental equipment	Fixtures and fittings, tools and equipment	Total
Carrying amount at 1 January 2017	454,171	93,140	547,311
Additions, net	66,001	23,714	89,715
Amortisation	-62,465	-23,571	-86,036
Carrying amount at 31 December 2017	**457,707**	**93,283**	**550,990**

17 RIGHT-OF-USE ASSET AND LEASE LIABILITIES, CONTINUED

The Group as lessor

The Group leases equipment under operating leases.

The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date:

DKK'000	2018	2017	2016
<1 year	24,490	15,321	9,671
1-2 years	11,851	2,366	5,649
2-3 years	876	1,214	2,366
3-4 years	836	648	1,214
4-5 years	0	0	649
Total undiscounted lease payments	**37,053**	**19,549**	**19,549**
Revenue from lease	**22,019**	**1,948**	**8,173**

18 MORTGAGES AND COLLATERAL

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 have been registered as collateral for all balances with G.S.V. Materieludlejning A/S owed by the Group.

The value of the deed is equal to the book value of the Group at any time. The deed can be enforced by the bank in case GSV defaults the obligations of the bank agreement. Default situations include failure to perform planned repayments and breach of covenants.

Security has been given with a net carrying amount of DKK 140 million (2017: DKK 140 million) for the Group's bank loan at Jyske Bank. Furthermore, non-current assets have been provided as security for the Group's obligations to Jyske Bank.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

19 BUSINESS COMBINATIONS

In April 2016 the Group acquired all outstanding shares of A. Linnet og Sønner A/S and Bramsnæs Entreprenørmaskiner A/S (hereafter: 'Bramsnæs'), and in October 2016 all outstanding shares of Bilsby Hedehusene A/S and Bilsby Vamdrup A/S (hereafter: 'Bilsby'). The acquired entities operate within rental of sheds and modules as well as heavy building machinery with drivers in Denmark. Upon acquisition, the acquired entities were merged into G.S.V. Materieludlejning A/S.

The shares were acquired to further strengthen the Group's presence on the Danish market. Furthermore, the acquisitions support the Group's increased focus on extending the services and number of products offered to its primary customers.

Recognised assets acquired and liabilities assumed at the date of acquisition

DKK'000	2016
Property, plant and equipment	337,200
Inventories	7,000
Trade receivables	31,400
Cash and cash equivalents	8,700
Deferred tax liabilities	-44,200
Credit institutions	-29,900
Other payables	-20,500
Net assets	**289,700**
Goodwill	63,676
Consideration transferred	**353,376**
Thereof, cash and cash equivalents in acquired companies	**8,700**
Thereof, cash and cash equivalents in continued company	**13,600**
Consideration in the form of shares in G.S.V. Holding A/S	**20,000**

19 BUSINESS COMBINATIONS, CONTINUED

Consideration transferred amounted to DKK 353.4 million, of which DKK 22.3 million was paid in cash.

For the purpose of the acquisition, assets, liabilities and contingent liabilities were identified and recognised in the acquisition balance sheet at fair value.

The Group incurred transaction costs arising from the merger at an amount of approx. DKK 7.1 million and attributable to legal advisors, which were recognised as administrative expenses in the income statement for the financial year 1 January – 31 December 2016.

Acquired assets include trade receivables with a fair value of DKK 31.1 million.

Following the recognition of identifiable assets, liabilities and contingent liabilities at fair value, goodwill arising upon acquisition has been calculated at DKK 63.7 million. Goodwill represents the value of existing staff and knowhow as well as expected synergies from the merger with Bramsnæs and Bilsby. Recognised goodwill is not tax deductible.

Upon the acquisition the entities were merged vertically into G.S.V. Materieludlejning A/S with accounting effect from 1 January 2016.

20 OTHER ADJUSTMENTS

DKK'000	2018	2017	2016
Other finance income	-181	-371	-209
Finance costs	21,153	28,032	24,021
Incomes taxes	17,409	28,394	0
Gain on sale of PP&E	-28,586	-27,292	-17,059
Provisions	8,453	1,819	-5,516
Addition by merged companies	0	0	-15,867
	18,248	**30,582**	**-14,630**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

21 CHANGES TO THE WORKING CAPITAL

DKK'000	2018	2017	2016
Changes in inventory	-21	7,753	-833
Changes in receivables	11,700	-9,399	-1,580
Changes in trade payables and other payables	-25,110	36,847	13,400
	-13,431	**35,201**	**10,987**

22 NON-CASH TRANSACTIONS

DKK'000	2018	2017	2016
Acquisition of property, plant and equipment (see note 12)	215,995	192,233	245,644
Portion relating to leased assets	-114,548	-159,608	-241,073
Paid regarding acquisition of property, plant and equipment	**101,447**	**32,625**	**4,571**
Additions of financial liabilities	114,548	159,608	241,073
Portion relating to lease obligations	-114,548	-159,608	-241,073
Cash proceeds from the raising of financial liabilities	**0**	**0**	**0**

23 LIABILITIES FROM FINANCING ACTIVITIES

DKK'000	01/jan	Cash flow	31/dec
Loan from credit institutions	251,469	-80,369	171,100
Leasing liabilities	352,142	-7,512	344,630
Non-current liabilities	**603,611**	**-87,881**	**515,730**
Loan from credit institutions	28,000	22,369	50,369
Loan from Parent Company	246	-134	112
Leasing liabilities	126,768	21	126,789
Banks	33,487	5,536	39,023
Current liabilities	**188,501**	**27,792**	**216,293**
Liabilities from financing activities for 2018	**792,112**	**-60,089**	**732,023**

DKK'000	01/jan	Cash flow	31/dec
Loan from credit institutions	300,416	-48,947	251,469
Leasing liabilities	340,413	11,729	352,142
Non-current liabilities	**640,829**	**-37,218**	**603,611**
Loan from credit institutions	195,794	-167,794	28,000
Loan from Parent Company	0	246	246
Leasing liabilities	118,348	8,420	126,768
Banks	35	33,452	33,487
Current liabilities	**314,177**	**-125,676**	**188,501**
Liabilities from financing activities for 2017	**955,006**	**-162,894**	**792,112**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

23 LIABILITIES FROM FINANCING ACTIVITIES, CONTINUED

DKK'000	01/jan	Cash flow	31/dec
Loan from credit institutions	552,334	-251,918	300,416
Leasing liabilities	327,669	12,744	340,413
Non-current liabilities	**880,003**	**-239,174**	**640,829**
Loan from credit institutions	41,284	154,510	195,794
Leasing liabilities	67,812	50,536	118,348
Banks	0	35	35
Current liabilities	**109,096**	**205,081**	**314,177**
Liabilities from financing activities for 2016	**989,099**	**-34,093**	**955,006**

24 FINANCIAL RISKS AND FINANCIAL INSTRUMENTS

Following its operations, investments and financing, the Group is, to a limited extent, exposed to financial risks, including market risks (interest rate risks), credit risks and liquidity risks. The disclosures in the note only address the most predominant risks. The Group's credit risks are described in note 14.

The overall framework for the financial risk management has been set out in the Group's finance policy. The finance policy is updated yearly and approved by the Board of Directors.

Centralised financial risk management is conducted by Management. On a monthly basis, Management monitors the Group's risk concentration within different areas such as customers, etc. Additionally, Management monitors any changes in the Group's risk concentration.

24 FINANCIAL RISKS AND FINANCIAL INSTRUMENTS, CONTINUED

The finance policy governs the Group's investment policy, financing policy and credit risk policy in relation to financial counterparties. In addition, it describes the approved risk framework.

It is the Group's policy not to speculate in financial risks. The Group's financial strategy only sets out to manage and reduce financial risks directly attributable to the Group's operations, investments and financing.

The Group's key interest rate risks relate to financial and operating leases where the Group has mixed both variable and fixed interest rates in the leases.

In terms of interest rate sensitivity, an increase in interest rate level of 1% p.a. relative to the interest rate level of the Company's floating-rate bank deposits and bank loans for a full year at the balance sheet date will have a negative impact on results for the year and thereby equity of DKK 4.7 million. A decrease in interest rate level of 1% will have a corresponding positive impact on results for the year and equity.

The Group does not make use of hedging and is not exposed to changes in exchange rates as the Group does not engage in foreign currency transactions.

The financing structure is a standard set-up for a private equity-owned business. On a quarterly basis, the Group tests financial covenants against target.

The Executive Board and Board of Directors regularly evaluate whether the capital structure supports the Group's fulfilment of the overall targets and the realisation of long-term sustainable economic growth. The Group is financed over equity with a solvency ratio above 20% at group level, five-year acquisition loan, drawing facilities, trade credit, etc. The duration and interest risks for the Group are assessed to the extent necessary. At the balance sheet date, net interest-bearing debt was DKK 729 million (2017: DKK 788 million), which is deemed appropriate in relation to the balance sheet total (capital structure).

There are covenants attached to the Group's interest-bearing debt. During the year, the Group has renegotiated the agreement with adjusted covenants and amended repayment profile to better cater for the business needs of the Group. Management expects compliance with the measurement points in the banking agreement.

The Group's risk exposure and risk management for 2018 was unchanged compared to that for 2017.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

24 FINANCIAL RISKS AND FINANCIAL INSTRUMENTS, CONTINUED

Loan from credit institutions and lease liabilities:

DKK'000	Average nominal interest rate %	Average effective interest rate%	Interest period	Carrying amount
Fixed interest-bearing debt to credit institutions	3%	3%	3 months	221,469
Variable interest-bearing lease liabilities (note 17)	1.75%	2.5%	1 month	471,419
Loan from credit institutions and lease liabilities for 2018 in total				**692,888**
Fixed interest-bearing debt to credit institutions	3%	3%	3 months	279,469
Variable interest-bearing lease liabilities (note 17)	1.75%	2.5%	1 month	478,910
Loan from credit institutions and lease liabilities for 2017 in total				**758,379**
Fixed interest-bearing debt to credit institutions	3%	3%	3 months	496,210
Variable interest-bearing lease liabilities (note 17)	1.75%	2.5%	1 month	458,761
Loan from credit institutions and lease liabilities for 2016 in total				**954,971**

24 FINANCIAL RISKS AND FINANCIAL INSTRUMENTS, CONTINUED

DKK'000	Contractual cash flows	Within 1 year	1 to 5 years	After 5 years
2018				
Non-derivative financial instruments				
Credit institutions and banks	270,975	91,138	179,837	0
Lease liabilities	494,878	135,672	331,924	27,282
Trade and other payables to subsidiaries	107,916	107,916	0	0
31. december	**873,769**	**334,726**	**511,761**	**27,282**
2017				
Non-derivative financial instruments				
Credit institutions and banks	369,605	126,211	243,394	0
Lease liabilities	495,324	128,607	320,623	46,094
Trade and other payables to subsidiaries	136,868	112,115	24,753	0
31. december	**1,001,797**	**366,933**	**588,770**	**46,094**
2016				
Non-derivative financial instruments				
Credit institutions and banks	366,367	77,356	289,011	0
Lease liabilities	486,620	128,118	313,559	44,943
Trade and other payables to subsidiaries	221,486	70,270	151,216	0
31. december	**1,074,473**	**275,744**	**753,786**	**44,943**

Contractual cash flows are undiscounted contractual cash flow including interests.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

25 FINANCIAL INSTRUMENTS CATEGORIES

Methods and assumptions for the determination of fair value

The methods and assumptions used for calculating fair value of financial instruments are described per class of financial instruments.

Other financial instruments (measured at amortised cost in the balance sheet)

Receivables, suppliers with a short credit and other liabilities are estimated to have a fair value equal to the carrying amount.

Deposits and debt to credit institutions with interest rate are estimated to have a fair value that is approximately equal to the carrying amount.

The fair value of leases is calculated based on expected cash flows for the individual contract discounted using interest rate curves. At the balance sheet date, leases was DKK 495 million (2017: DKK 495 million).

DKK'000	2018	2017	2016
Loans and receivables			
Trade receivables	116,105	146,545	139,569
Other receivables	301	452	595
Receivables from Parent Company	0	0	31
Prepaid costs	20,288	2,631	1,615
Cash and cash equivalents	2,539	4,309	68,421
Total loans and receivables	**139,233**	**153,937**	**210,231**
Financial liabilities are measured at amortised cost			
Loans to credit institutions	221,469	279,469	496,210
Loans from Parent Company	112	246	0
Banks	39,023	33,487	35
Prepayments received from customers	0	9,040	8,594
Trade payables	107,916	112,114	70,269
Other payables	33,179	37,804	35,396
Total financial liabilities are measured at amortised cost	**401,699**	**472,160**	**610,504**

26 RELATED PARTIES

For information on transactions with related parties, please refer to note 17 in the parent financial statements.

27 EVENTS AFTER THE BALANCE SHEET DATE

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

28 NEW FINANCIAL REPORTING REGULATION

At the time of the publication of this annual report a number of new or changed standards and interpretations have not yet become obligatory and have therefore not been included in this report. The new standards and interpretations will be implemented as they become obligatory. It is the management's assessment that the new standards and interpretations will not have material impact on the annual reports in the coming years.

PARENT FINANCIAL STATEMENTS

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PRIMARY STATEMENTS

NOTES TO THE PARENT FINANCIAL STATEMENTS

PARENT STATEMENT OF COMPREHENSIVE INCOME

DKK'000	Note	2018	2017	2016
Other external costs	3	-708	-161	-292
Gross profit/loss		**-708**	**-161**	**-292**
Staff costs	4	-4,424	-4,930	-4,203
Profit/loss before interest, taxes, depreciation and amortisation (EBITDA)		**-5,132**	**-5,091**	**-4,495**
Special items	5	-1.500	0	0
Profit/loss before finance income and finance costs		**-6,632**	**-5,091**	**-4,495**
Income from equity investments in group entities		0	70,000	0
Finance income		120	2,546	4,055
Finance costs	6	-475	-6,808	-5,154
Profit/loss before tax		**-6,987**	**60,647**	**-5,594**
Tax on profit/loss for the year	7	-521	2,058	-132
Profit/loss for the year / total comprehensive income		**-7,508**	**62,705**	**-5,726**
Profit/loss for the year / total comprehensive income is attributable to:				
Shareholders in G.S.V. Holding A/S		-7,508	62,705	-5,726
Profit/loss for the year / total comprehensive income		**-7,508**	**62,705**	**-5,726**

PARENT BALANCE SHEET

DKK'000	Note	2018	2017	2016
ASSETS				
Non-current assets				
Equity interests in subsidiaries	8	489,455	489,455	489,455
Deferred tax	9	1,537	2,058	0
Receivables from group companies		0	0	151,216
Total non-current assets		**490,992**	**491,513**	**640,671**
Current assets				
Other receivables	12	0	453	594
Receivables from Parent Company		0	0	31
Receivables from group companies		0	24,753	0
Cash and cash equivalents		12	40	115
Total current assets		**12**	**25,246**	**740**
Total assets		**491,004**	**516,759**	**641,411**

DKK'000	Note	2018	2017	2016
EQUITY AND LIABILITIES				
Equity				
Share capital		4,996	4,955	4,955
Share premium		49,405	47,148	47,148
Retained earnings		422,591	432,082	370,089
Total equity		**476,992**	**484,185**	**422,192**
Liabilities				
Non-current liabilities				
Loans from credit institutions	14	0	31,569	52,516
Loans from group companies	14	13,172	0	0
Total non-current liabilities		**13,172**	**31,569**	**52,516**
Current liabilities				
Loans from credit institutions	14	0	0	165,794
Loans from Parent Company	14	112	246	0
Other payables		728	759	909
Total current liabilities		**840**	**1,005**	**166,703**
Total liabilities		**14,012**	**32,574**	**219,219**
Total equity and liabilities		**491,004**	**516,759**	**641,411**

PARENT STATEMENT OF CHANGES IN EQUITY

DKK'000	Share capital	Retained earnings	Share premium	Total equity
Equity at 1 January 2018	**4,955**	**432,082**	**47,148**	**484,185**
Total comprehensive income for 2018				
Profit/loss for the year/ other comprehensive income	0	-7,508	0	-7,508
Total comprehensive income for the year	**0**	**-7,508**	**0**	**-7,508**
Transactions with owners				
Share capital increase	41	0	2,257	2,298
Purchase of treasury shares	0	-1,983	0	-1,983
Total transactions with owners	**41**	**-1,983**	**2,257**	**315**
Equity at 31 December 2018	**4,996**	**422,591**	**49,405**	**476,992**

DKK'000	Share capital	Retained earnings	Share premium	Total equity
Equity at 1 January 2017	**4,955**	**370,089**	**47,148**	**422,192**
Total comprehensive income for 2017				
Profit/loss for the year/ other comprehensive income	0	62,705	0	62,705
Total comprehensive income for the year	**0**	**62,705**	**0**	**62,705**
Transactions with owners				
Purchase of treasury shares	0	-712	0	-712
Total transactions with owners	**0**	**-712**	**0**	**-712**
Equity at 31 December 2017	**4,955**	**432,082**	**47,148**	**484,185**

DKK'000	Share capital	Retained earnings	Share premium	Total equity
Equity at 1 January 2016	**4,407**	**376,015**	**0**	**380,422**
Total comprehensive income for 2016				
Profit/loss for the year/ other comprehensive income	0	-5,726	0	-5,726
Total comprehensive income for the year	**0**	**-5,726**	**0**	**-5,726**
Transactions with owners				
Share capital increase	548	0	47,148	47,696
Purchase of treasury shares	0	-200	0	-200
Total transactions with owners	**548**	**-200**	**47,148**	**47,496**
Equity at 31 December 2016	**4,955**	**370,089**	**47,148**	**422,192**

PARENT CASH FLOW STATEMENT

DKK'000	Note	2018	2017	2016
Profit/loss for the year		-7,508	62,705	-5,726
Other adjustments of non-cash operating items	11	876	2,204	1,231
Cash flow from operating activities before changes in working capital		**-6,632**	**64,909**	**-4,495**
Changes in working capital	12	422	-9	768
Cash flow from operating activities		**-6,210**	**64,900**	**-3,727**
Interest income received		120	2,546	4,055
Interest expense paid		-475	-6,808	-5,154
Cash flow from operating activities		**-6,565**	**60,638**	**-4,826**
Payment of debt to credit institutions		-31,569	-186,741	0
Proceeds from debt to credit institutions		0	0	32,710
Payment of debt to Parent Company		-134	0	-31
Proceeds of debt to Parent Company		0	277	0
Payment of debt to group companies		0	0	-76,258
Proceeds of debt to group companies		37,925	126,463	0
Purchase of treasury shares		-1,983	-712	-200
Capital increase		2,298	0	47,696
Cash flow from financing activities		**6,537**	**-60,713**	**3,917**
Cash flows for the year		**-28**	**-75**	**-909**
Cash and cash equivalents at beginning of year		40	115	1,024
Cash and cash equivalents at year end		**12**	**40**	**115**

NOTES TO THE PARENT FINANCIAL STATEMENTS

1 ACCOUNTING POLICIES

As Parent company of the G.S.V. Group, the financial statements of G.S.V. Holding A/S are separate financial statements disclosed as required by the Danish Financial Statements Act.

The separate financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union and further requirements in the Danish Financial Statements Act.

The accounting policies of the Parent are identical with the policies for the consolidated financial statements, except for the following:

Dividends from investments in subsidiaries
Dividends from investments in subsidiaries are recognized as income in the Parent's income statement under financial income in the financial year in which the dividends are declared.

Investments in subsidiaries in the Parent's financial statements
Investments in subsidiaries are measured at cost. If there is any indication of impairment, investments are tested for impairment as described in the accounting policies applied by the Group. If the cost exceeds the recoverable amount, the investment is written down to the lower value.

2 SIGNIFICANT ESTIMATES

For the preparation of the Annual Report of G.S.V. Holding A/S, Management makes various accounting estimates and judgements that affect the reported amounts and disclosures in the statements and in the notes to the financial statements. These estimates are based on professional judgement, historical data and other factors available to Management. By their nature, estimates include a degree of uncertainty and actual results may therefore deviate from the estimates at the reporting date. Estimates are continuously evaluated, and the effects of any changes are recognised in the relevant period.

Accounting judgements considered significant in the preparation and understanding of the financial statements of the Parent includes the following:

Investments in subsidiaries
Management assesses annually whether there is an indication of impairment of investments in subsidiaries. If so, the investments will be tested for impairment in the same way as Group goodwill. In the assessment of Management, there was no such indication at 31 December 2018, and therefore investments in subsidiaries have not been tested for impairment.

3 FEES TO AUDITOR APPOINTED AT THE GENERAL MEETING

DKK'000	2018	2017	2016
Statutory audit fees	17	17	20
Tax advisory services	6	5	5
Other services	93	55	0
Total fees to KPMG	**116**	**77**	**25**

NOTES TO THE PARENT FINANCIAL STATEMENTS

4 STAFF COSTS

DKK'000	2018	2017	2016
Payroll costs	4,261	4,930	4,203
Pensions	163	0	0
	4,424	**4,930**	**4,203**
Average number of full-time employees	**2**	**2**	**2**

Portion relating to remuneration of the Executive Board and Board of Directors:

	Board of Directors	Executive Board	Total
2018			
Salaries and fees	800	3,461	4,261
Pensions	0	163	163
	800	**3,624**	**4,424**
2017			
Salaries and fees	850	4,080	4,930
Pensions	0	0	0
	850	**4,080**	**4,930**
2016			
Salaries and fees	0	4,203	4,203
Pensions	0	0	0
	0	**4,203**	**4,203**

The above figure includes management remuneration in the companies merged.

The Executive Board and other executives have bonus schemes based on the Company's financial performance during the financial year and individual goals.

There has been a change in the Executive Board in 2018 as the Executive Board has been increased from CEO and CFO in 2016-2017 to CEO, CFO and COO in 2018.

5 SPECIAL ITEMS

DKK'000	2018	2017	2016
Organisation restructure	1,500	0	0
	1,500	**0**	**0**

6 FINANCE COSTS

DKK'000	2018	2017	2016
Other	475	6,808	5,154
	475	**6,808**	**5,154**
Total interest cost related to financial liabilities measured at amortised cost	**475**	**6,808**	**5,154**

7 TAX ON PROFIT/LOSS FOR THE YEAR

DKK'000	2018	2017	2016
Tax for the year can be divided as follows:			
Deferred tax adjustment for the year	-1,537	-2,058	132
Adjustment of deferred tax relating to previous years	2,058	0	0
	521	**-2,058**	**132**
Tax for the year can be accounted for as follows:			
Estimated 22% tax on profit before tax	-1,537	13,342	-1,231
Other costs not deductible and non-taxable income	0	-15,400	1
Adjustment of tax relating to previous years	2,058	0	1,362
	521	**-2,058**	**132**
Effective tax rate	**1%**	**37%**	**0%**

The significant change in effective tax rate is due to dividend received in 2017

NOTES TO THE PARENT FINANCIAL STATEMENTS

8 EQUITY INTERESTS IN SUBSIDIARIES

DKK'000	2018	2017	2016
Cost at 1 January	489.455	489.455	489.455
Cost at 31 December	489.455	489.455	489.455
Carrying amount at 31 December	**489.455**	**489.455**	**489.455**

Name/legal form	Registered office	Equity interes	Equity	Profit/ loss for the year
2018				
G.S.V. Materieludlejning A/S	Hedehusene	100%	332,106	70,957
2017				
G.S.V. Materieludlejning A/S	Hedehusene	100%	261.149	48.829
2016				
G.S.V. Materieludlejning A/S	Hedehusene	100%	282.321	55.144

9 DEFERRED TAX

DKK'000	2018	2017	2016
Deferred tax at 1 January	-2,058	0	-132
Deferred tax for the year recognised in profit/loss for the year	521	-2,058	132
Deferred tax at 31 December	**-1,537**	**-2,058**	**0**
Deferred tax is recognised in the balance sheet as follows:			
Deferred tax (assets)	-1,537	-2,058	0
Deferred tax at 31 December, net	**-1,537**	**-2,058**	**0**
Deferred tax relates to:			
Losses	-1,537	-2,058	0
	-1,537	**-2,058**	**0**

10 MORTGAGES AND COLLATERAL

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

The Parent Company is jointly taxed with G.S.V. Materieludlejning A/S and CC Tool Invest ApS and its subsidiaries. The entities included in the joint taxation have joint and unlimited liability for Danish corporation tax. Subsequent corrections to taxable income may bring about an increase in liabilities. Any subsequent corrections to corporation taxes and withholding taxes may bring about an increase in the Group's liability.

11 OTHER ADJUSTMENTS

DKK'000	2018	2017	2016
Other finance income	-120	-2,546	-4,055
Finance costs	475	6,808	5,154
Provisions	521	-2,058	132
	876	**2,204**	**1,231**

12 CHANGES TO THE WORKING CAPITAL

DKK'000	2018	2017	2016
Changes in receivable	453	141	201
Changes in trade payables and other payables	-31	-150	567
	422	**-9**	**768**

NOTES TO THE PARENT FINANCIAL STATEMENTS

13 LIABILITIES FROM FINANCING ACTIVITIES

DKK'000	01/jan	Cash flow	31/dec
Loan from credit institutions	31,569	-31,569	0
Non-current liabilities	**31,569**	**-31,569**	**0**
Loan from credit institutions	0	0	0
Loan from Parent Company	246	-134	112
Current liabilities	**246**	**-134**	**112**
Liabilities from financing activities for 2018	**31,815**	**-31,703**	**112**

DKK'000	01/jan	Cash flow	31/dec
Loan from credit institutions	52,516	-20,947	31,569
Non-current liabilities	**52,516**	**-20,947**	**31,569**
Loan from credit institutions	165,794	-165,794	0
Loan from Parent Company	0	246	246
Current liabilities	**165,794**	**-165,548**	**246**
Liabilities from financing activities for 2017	**218,310**	**-186,495**	**31,815**

DKK'000	01/jan	Cash flow	31/dec
Loan from credit institutions	144.316	-91.800	52.516
Non-current liabilities	**144.316**	**-91.800**	**52.516**
Loan from credit institutions	41.284	124.510	165.794
Loan from Parent Company	0	0	0
Current liabilities	**41.284**	**124.510**	**165.794**
Liabilities from financing activities for 2016	**185.600**	**32.710**	**218.310**

14 FINANCIAL RISKS AND FINANCIAL INSTRUMENTS

Loan from credit institutions:

DKK'000	Average nominal interest rate %	Average effective interest rate%	Interest period	Carrying amount
Fixed interest-bearing debt to credit institutions	3%	3%	3 months	0
Loan from credit institutions for 2018 in total				**0**
Fixed interest-bearing debt to credit institutions	3%	3%	3 months	31,569
Loan from credit institutions for 2017 in total				**31,569**
Fixed interest-bearing debt to credit institutions	3%	3%	3 months	218,310
Loan from credit institutions for 2016 in total				**218,310**

NOTES TO THE PARENT FINANCIAL STATEMENTS

15 FINANCIAL INSTRUMENTS CATEGORIES

DKK'000	2018	2017	2016
Loans and receivables			
Other receivables	0	453	594
Receivables from Parent Company	0	0	31
Receivables from group companies	0	24,753	151,216
Cash and cash equivalents	12	40	115
Total loans and receivables	**12**	**25,246**	**151,956**
Financial liabilities are measured at amortised cost			
Loans to credit institutions	0	31,569	218,310
Loans from Parent Company	112	246	0
Loans from group companies	13,172	0	0
Other payables	728	759	909
Total financial liabilities are measured at amortised cost	**14,012**	**32,574**	**219,219**

16 RELATED PARTIES

G.S.V. Holding A/S' related parties comprise the following:

Control

CC Tool Invest ApS, Baldersbuen 5, 2640 Hedehusene
CC Tool Invest ApS holds the majority of the contributed capital in the Parent Company via shareholder agreement.

The financial statements of CC Tool Invest ApS can be obtained by contacting the company at the above address.

Other related parties

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

Transaction with related parties

Remuneration of the Executive and Board of Directors has been disclosed in note 4. The Executive and Board of Directors are made available free of charge by the Parent Company.

The Group has an intercompany account with the Parent Company used for minor transactions. The balance at year-end is DKK 112 thousand (2017: DKK 246 thousand). The account does not generate interest. Intercompany accounts with the Parent Company are shown in the balance sheet. Related party transactions has been carried out on an arm's length basis. Apart from this, the Group has not been a party to any related party transactions.

17 EVENTS AFTER THE BALANCE SHEET DATE

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

18 NEW FINANCIAL REPORTING REGULATION

At the time of the publication of this annual report a number of new or changed standards and interpretations have not yet become obligatory and have therefore not been included in this report. The new standards and interpretations will be implemented as they become obligatory. It is the management's assessment that the new standards and interpretations will not have material impact on the annual reports in the coming years.

JENS NYHUS
Directorships

Executive Board: Carlsberg Byen I A/S, Carlsberg Byen Komplementar ApS, Carlsberg Byen P/S, Carlsberg Byen Komplementar I ApS, Carlsberg Byen Komplementar Byggefelt 8 ApS, Carlsberg Byen Ejendomme I P/S, Carlsberg Byen Ejendomme P/S, Carlsberg Byen Komplementar 20D ApS , Carlsberg Byen 20D P/S, Komplementar Carlsberg Byen Ba 13 ApS, Komplementar Carlsberg Byen Ba 16 ApS, Komplementar Carlsberg Byen Ba 17 ApS, Komplementar Carlsberg Byen Ba 3 ApS, Carlsberg Byen Ba 13 P/S, Carlsberg Byen Ba 16 P/S, Carlsberg Byen Ba 17 P/S, Carlsberg Byen Ba 3 P/S, Komplementar Carlsberg Byen Ba 12 ApS, Carlsberg Byen Ba 12 P/S, Komplementar Carlsberg Byen Ba 2 P/S, Komplementar Carlsberg Byen Ba 5 ApS, Komplementar Carlsberg Byen Ba 11 ApS, Komplementar Carlsberg Byen Ba 16.3 ApS, Carlsberg Byen Ba 2 P/S, Carlsberg Byen Ba 5 P/S, Carlsberg Byen Ba 11 P/S, Carlsberg Byen Ba 16.3 P/S, Komplementar Carlsberg Byen Ejendomssalg ApS, Komplementar Carlsberg Byen Ejendomsdrift ApS, Carlsberg Byen Ejendomssalg P/S, Carlsberg Byen Ejendomsdrift P/S, Komplementar Carlsberg Byen Ba 4.2 ApS, Carlsberg Byen Ba 4.2 P/S, Komplementar Carlsberg Byen Ba 6Ø ApS, Komplementar Carlsberg Byen Ba 7 ApS, Komplementar Carlsberg Byen Ba 9 ApS, Komplementar Carlsberg Byen Ba 10.3 ApS, Komplementar Carlsberg Byen Ba 15 ApS, Carlsberg Byen Ba 6Ø P/S, Carlsberg Byen Ba 7 P/S, Carlsberg Byen Ba 9 P/S, Carlsberg Byen Ba 10.3 P/S, Carlsberg Byen Ba 15 P/S, Carlsberg Byen Ba 9 Bolig I P/S, Komplementar Carlsberg Byen Ba 9 Bolig I ApS, Carlsberg Byen Ba 9 Bolig Ii P/S, Komplementar Carlsberg Byen Ba 9 Bolig Ii ApS, Carlsberg Byen Ba 9 Tårn P/S, Komplementar Carlsberg Byen Ba 9 Tårn ApS, Carlsberg Byen Ba 10.3 Tårn P/S, Komplementar Carlsberg Byen Ba 10.3 Tårn ApS, Carlsberg Byen Ba 11 Kontor P/S, Komplementar Carlsberg Byen Ba 11 Kontor ApS, Carlsberg Byen Parkering P/S, Komplementar Carlsberg Byen Parkering ApS, Carlsberg Byen Ejendomme Tårn P/S, Komplementar Carlsberg Byen Ejendomme Tårn ApS, Carlsberg Byen Ba 2 Bolig P/S, Komplementar Carlsberg Byen Ba 2 Bolig ApS, Carlsberg Byen Ba 2 Tårn P/S, Komplementar Carlsberg Byen Ba 2 Tårn ApS, Carlsberg Byen Administrationsbygning P/S, Komplementar Carlsberg Byen Administrationsbygningen ApS, Carlsberg Byen Ba 5 Bolig P/S, Komplementar Carlsberg Byen Ba 5 Bolig ApS, Carlsberg Byen Ba 6Ø Bolig I P/S, Komplementar Carlsberg Byen Ba 6Ø Bolig I ApS, Carlsberg Byen Ba 6Ø Bolig Ii P/S, Komplementar Carlsberg Byen Ba 6Ø Bolig Ii ApS, Carlsberg Byen Ba 6Ø Tårn P/S, Komplementar Carlsberg Byen Ba 6Ø Tårn ApS, Carlsberg Byen Ba 7 Bolig, Komplementar Carlsberg Byen Ba 7 Bolig, Carlsberg Byen Ba 15 Bolig, Komplementar Carlsberg Byen Ba 15 Bolig, Carlsberg Byen Ba 15 Tårn, Komplementar Carlsberg Byen Ba 15 Tårn.

Member of the Board of Directors: Carlsberg Byen I A/S, Carlsberg Byen Komplementar I Aps, Carlsberg Byen Komplementar Byggefelt 8 ApS, Carlsberg Byen Ejendomme I P/S, Carlsberg Byen Ejendomme P/S, Carlsberg Byen Komplementar 20D ApS , Carlsberg Byen 20D P/S, Komplementar Carlsberg Byen Ba 13 ApS, Komplementar Carlsberg Byen Ba 16 ApS, Komplementar Carlsberg Byen Ba 17 ApS, Komplementar Carlsberg Byen Ba 3 ApS, Carlsberg Byen Ba 13 P/S, Carlsberg Byen Ba 16 P/S, Carlsberg Byen Ba 17 P/S, Carlsberg Byen Ba 3 P/S, Komplementar Carlsberg Byen Ba 12 ApS, Carlsberg Byen Ba 12 P/S, Komplementar Carlsberg Byen Ba 2 P/S, Komplementar Carlsberg Byen Ba 5 ApS, Komplementar Carlsberg Byen Ba 11 ApS, Komplementar Carlsberg Byen Ba 16.3 ApS, Carlsberg Byen Ba 2 P/S, Carlsberg Byen Ba 5 P/S, Carlsberg Byen Ba 11 P/S, Carlsberg Byen Ba 16.3 P/S, Komplementar Carlsberg Byen Ejendomssalg ApS, Komplementar Carlsberg Byen Ejendomsdrift ApS, Carlsberg Byen Ejendomssalg P/S, Carlsberg Byen Ejendomsdrift P/S, Komplementar Carlsberg Byen Ba 4.2 ApS, Carlsberg Byen Ba 4.2 P/S, Komplementar Carlsberg Byen Ba 6Ø ApS, Komplementar Carlsberg Byen Ba 7 ApS, Komplementar Carlsberg Byen Ba 9 ApS, Komplementar Carlsberg Byen Ba 10.3 ApS, Komplementar Carlsberg Byen Ba 15 ApS, Carlsberg Byen Ba 6Ø P/S, Carlsberg Byen Ba 7 P/S, Carlsberg Byen Ba 9 P/S, Carlsberg Byen Ba 10.3 P/S, Carlsberg Byen Ba 15 P/S, Carlsberg Byen Ba 9 Bolig I P/S, Komplementar Carlsberg Byen Ba 9 Bolig I ApS, Carlsberg Byen Ba 9 Bolig Ii P/S, Komplementar Carlsberg Byen Ba 9 Bolig Ii ApS, Carlsberg Byen Ba 9 Tårn P/S, Komplementar Carlsberg Byen Ba 9 Tårn ApS, Carlsberg Byen Ba 10.3 Tårn P/S, Komplementar Carlsberg Byen Ba 10.3 Tårn ApS, Carlsberg Byen Ba 11 Kontor P/S, Komplementar Carlsberg Byen Ba 11 Kontor ApS, Carlsberg Byen Parkering P/S, Komplementar Carlsberg Byen Parkering ApS, Carlsberg Byen Ejendomme Tårn P/S, Komplementar Carlsberg Byen Ejendomme Tårn ApS, Carlsberg Byen Ba 2 Bolig P/S, Komplementar Carlsberg Byen Ba 2 Bolig ApS, Carlsberg Byen Ba 2 Tårn P/S, Komplementar Carlsberg Byen Ba 2 Tårn ApS, Carlsberg Byen Administrationsbygning P/S, Komplementar Carlsberg Byen Administrationsbygningen ApS, Carlsberg Byen Ba 5 Bolig P/S, Komplementar Carlsberg Byen Ba 5 Bolig ApS, Carlsberg Byen Ba 6Ø Bolig I P/S, Komplementar Carlsberg Byen Ba 6Ø Bolig I ApS, Carlsberg Byen Ba 6Ø Bolig Ii P/S, Komplementar Carlsberg Byen Ba 6Ø Bolig Ii ApS, Carlsberg Byen Ba 6Ø Tårn P/S, Komplementar Carlsberg Byen Ba 6Ø Tårn ApS, Carlsberg Byen Ba 7 Bolig, Komplementar Carlsberg Byen Ba 7 Bolig, Carlsberg Byen Ba 15 Bolig, Komplementar Carlsberg Byen Ba 15 Bolig, Carlsberg Byen Ba 15 Tårn, Komplementar Carlsberg Byen Ba 15 Tårn, Gk Danmark A/S, G.S.V. Holding A/S.

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