Annual Report 2021

The annual report was presented and approved at the Company's annual general meeting
on _____22. March 2022_____

_____Peter Ryttergaard_____
chairman of the annual general meeting

GSV
PEOPLE FIRST

G.S.V. HOLDING A/S
CVR no. 35 87 58 91

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Management's review

GSV in brief

GSV is the market leading equipment rental company in Denmark with customers within the Engineering, Building, Construction, Industrial and Public Sector. Our core business is to partner with customers and meet their needs for high quality rental equipment and services. We service both large customised total enterprise projects and local standard equipment activities. Online, we offer a state-of-the-art APP/WEB solution for our customers.

In 2021, GSV continued the transition towards environmental sustainability, where digitalisation was an important driver in optimising our processes, reducing CO_2 emissions for us and our customers. Furthermore, we focused investments on CO_2 friendly machinery, which will continued to be a priority in 2022.

We inaugurated Greve as a regional hub for our operations in East Denmark becoming the lighthouse facility for GSV. The Greve hub is one of Northern Europe's largest rental facilities. Through optimization of processes GSV now has a large-scale competitive edge. In 2021, our location in Rødby grew rapidly and became GSV's third largest as the Fehmarn project took off.

GSV's Headquarters and our 18 departments and hubs across Denmark employ 486 colleagues as of 31 December 2021. With 21,800 pieces of equipment, GSV has the widest product range in the Danish equipment rental industry.

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Letter from the CEO

Status not quo. That must be the headline for a year like never at GSV. Join me for a look back at one of the most challenging, yet prosperous years for GSV.

COVID-19 has been the backdrop of yet another year. Yet again, our employees and customers have done a tremendous job navigating through constantly changing conditions. They have brought normalcy into this abnormal situation through mutual respect and determination to do their best by helping each other move forward. Our slogan "people first" has most importantly helped keep people safe and sound, but it has also shown its strength commercially. It is the people of GSV, who have paved the way for commercial success and created progress for GSV during 2021.

A year like never

At GSV, we are fortunate to be able to look back at one of the most important and prosperous years ever. We have bought new assets, got new skilled colleagues, and our new supersite in Greve is operational and enables new opportunities across the country. In addition, we are now the largest supplier of machinery to the Fehmarn project - one of the biggest construction sites in Europe.

We've digitalised our fleet management, and our digitalisation journey is turning out to be a major driver for our green agenda - both in our own operations and for our customers.

At GSV, we take pride in nudging our industry partners towards a green transition, which is supported by our customers. GSV's conference "The Future of Construction" is an example of the interest and commitment we see across the industry. This year, we had 380 decision makers participating from the industry with industry peers and politicians joining from the stage.

Building a new cornerstone

When we acquired Ramirent Denmark in 2019, we enhanced our product offering to our customers with the Solution business. The Solution business operates construction sites, offices and staff facilities, construction site fences, access roads, control, waste disposal and much more for our customers.

Solution is already becoming an important business line within GSV. In the spring, we won a major project in Hillerød, where the customer will be building a large-scale biotech production facility over the coming years. Today, we have more than 40 people working on the project - and the number is increasing. In essence, Solution gives us the opportunity to help customers optimize the construction site with respect to total costs and on time completion.

We will keep pushing the green agenda

In 2021, GSV further accelerated the green transition. We implemented several climate friendly initiatives throughout our businesses. Digitalisation is turning out to be a key driver in optimizing processes and reducing CO_2 emissions, both for ourselves and our customers. Furthermore, we have been working on joint industry initiatives through the Danish government's climate partnerships, and we have started to invest heavily in climate friendly equipment and machinery.

Once again, I'm happy to conclude that our congress "The Future of Construction" was a success among industry lea-ders and decision makers. It's fair to say, the conference is slowly becoming a landmark when it comes to show-casing the industry's latest climate friendly equipment and to meet up and discuss how our industry can do our part in a green transition. This makes me incredibly proud.

Enabling growth with a new supersite

Approximately 1/3 of our production is managed out of Greve. Each day, more than 266 customer orders are processed - and just as many returns from our customers. We employ more than 120 people in Greve, which is about 25 % of all GSV employees. This makes Greve Scandinavia's and perhaps even Northern Europe's largest rental site.

The new supersite is what enables us to supply equipment in the quantities and with the quality and timeliness that we do. In other words, our new supersite is essential in GSV's quest to accelerate our growth in the coming years both in the Capital area and for Zeeland in general.

Making history in Rødby

In 2021, our location in Rødby has grown from a few colleagues to now being the third largest location in GSV with18 employees serving the construction related to the Fehmarn connection. At this point, Fehmarn is one of the largest construction sites in Europe and will remain so for the next decade. The decisions made by GSV's Management back in 2014 to establish the Rødby location were bold and ambitious, but they proved to be spot on. The decision to invest in a central location with a local team close to the Fehmarn construction site, turned out to be instrumental to our ability to meet the demand and provide a solid service level on the construction site today.

> **"Digitalisation is turning out to be a key driver in optimizing processes and reducing CO_2 emissions"**

I'm personally thrilled to see the Fehmarn project finally taking off, and for good reason. The project brings growth and employment to the region of Lolland-Falster, and connects us even more with the German market. It is truly meaningful to me and to all our colleagues around GSV to play our part in the making of Danish and European history.

Financial results

You will have the opportunity to dive into our financial results in this Annual Report, but I would like to highlight the main results. First, we have seen an increase in turnover and improved our bottom line.

Revenue 2021 was DKK 978m an increase of 9% compared to 2020. The growth is a result of greater activity in both East and West Denmark.

	2021	2020
EBITDA before special items margin	31%	30%
EBIT Margin	13%	11%

We managed to improve both EBITDA before special items and EBIT margins through productivity improvements and swift adaptation of fleet management to the changing market situation and bigger projects.

We have throughout 2021 kept a solid liquidity reserve while investing in growth. GSV has significant liquidity reserves and undrawn facilities as of 31 December 2021. We continued to fund the business through equity and leasing debt which is at a suitable level end of 2021.

Fit for future growth

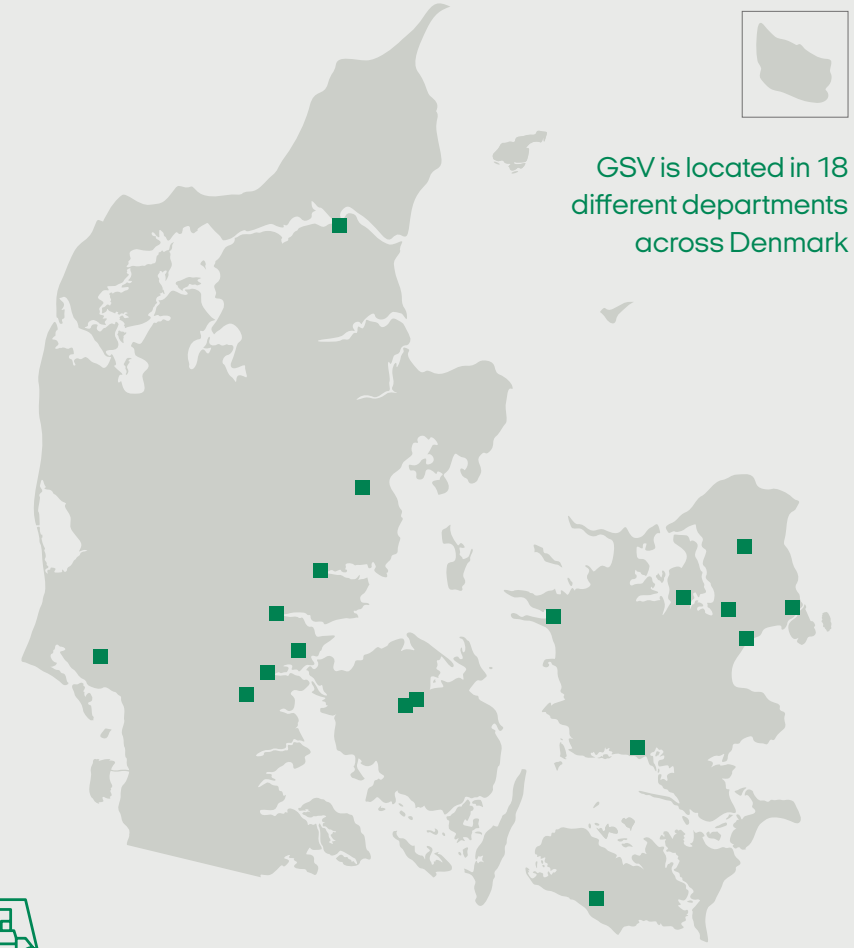
In 2020, I enthusiastically and confidently welcomed the new year. During 2021, we still had to take COVID-19 seriously on an everyday basis, and we will of course continue to do so. Against this backdrop of uncertain conditions, we have succeeded in harvesting exciting opportunities for GSV.

In 2022, we will continue to invest in environmentally sustain-able equipment. Our goal is to allocate 95% of our investments towards helping our customers reach their sustainability goals and contribute to the global quest towards a sustainable future. We will further accelerate our digital platforms enabling our customers to improve their operational efficiency and reduce their rental days on construction sites. Transparent part-nerships with our customers enable both our customers and us to improve productivity and to lower the carbon footprint.

With this setting I enthusiastically and confidently welcome also 2022. We take COVID-19 seriously every day, but at the same time we see many exciting opportunities for GSV given the positive market conditions. We have a winning strategy to further improve our market leading position – together with our customers and our staff - Always with People First!

Dan O. Vorsholt
CEO

Renting is better



GSV is located in 18 different departments across Denmark

VISION

GSV creates a world where renting is better than owning through rental of high-quality equipment and running our business with focus on people, relations, technology, and sustainability.

STRATEGY

- We work to win
- We set the standard
- We lead digital transformation
- We push sustainability

CORE BELIEFS

- People first
- Customer centric

GSV SERVES THE ENTIRE CONSTRUCTION SITE

Heavy equipment | **Light equipment** | **Small equipment** | **Lift** | **Platform** | **Modular space** | **Solutions** | **Rail**

GSV'S BUSINESS MODEL

Every working day of 2021, GSV delivered approximately 365 pieces of equipment to our customers. 18 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 98%.

GSV is the market leading equipment rental company in Denmark with core customers in the Engineering, Building and Construction industries, as well as in the Public Sector. Our customers are large-scale entrepreneurs and constructors, mid-sized craft enterprises and small companies with a shared need for high quality rental equipment and services.

18
departments in Denmark

470
average full time employees

+21,800
pieces of equipment

+7,000
Key, Regional and Department customers

THEME #1

The Future of Construction

380 industry representatives attended GSV's conference "The Future of Construction" with a focus on increased digitalisation, electrical infrastructure on the construction site, and an appeal for politicians to push for greener public tenders.

In 2019, GSV took the initiative to create a forum where business leaders and decision makers from the construction industry could meet to be inspired and discuss how to accelerate the green transition. The reasoning behind the new conference was obvious. In Denmark, buildings, bridges, and roads account for 30% of the country's total CO_2 emissions, and 10% comes from construction processes and the production of building materials (Source: Government Climate Partnerships).

This year for the second time, GSV initiated "The Future of Construction" conference with great interest and participation from the industry. Once again, it was clear that the industry has a common interest in driving the green transition and making future construction sites sustainable and emission-free.

Key message:
The Public Sector must raise the bar
Søren Pape Poulsen, chairman of the Conservative People's Party, was one of the main speakers, and he specifically emphasized the need for greater political focus on a more sustainable construction industry. From the stage, Søren Pape Poulsen let us know that the GSV sustainability drive is well ahead of Christiansborg on the green agenda and a truly good example of progressive private initiative.

At the conference, we saw a sincere determination among our industry peers to make more sustainable and environmentally responsible choices.

GSV can influence what fuels the machines that operate on the construction sites in Denmark. For that reason, we are heavily investing in electric, battery and Hydrogenated Vegetable Oil (HVO) equipment, but we also depend on an increased demand from politicians, contractors, builders, and architects if we are to truly accelerate the green transition.

Key message:
Sharing economy is the road to a more sustainable future
A sustainable construction site is not only about electric machines and sustainable materials. Important factors are also having the right overview, streamlining processes, and reducing idle time. The recent year of digital development provides an opportunity to work smarter and reduce the number of machines on the construction site.

At GSV, we believe that digitalisation is the enabler for a more sustainable construction site. For this reason, we have been investing heavily in solutions that decrease idle time on the machinery, optimize processes and ultimately reduce CO_2 emissions.

"With the new digital tools available to us, we can optimize planning and reduce idle time on the machinery. In the long run, this means that we will need fewer machines as we can make better use of them - but also that we can make a faster transition from older machinery to new and more sustainable alternatives. This way, contractors save money, the machines can move construction sites much faster, and we, as the rental company, can ensure efficient utilization. Maybe the next few years will show that the sharing economy has also found its way into the construction industry"

Dan O. Vorsholt
CEO

SPEAKERS

Søren Pape Poulsen
Chairman of the Conservative People's Party

Lars Sandahl
CEO, Danish Industry

Jens Holmboe
CEO, The Danish Road Directory

Peter Lund Madsen
Brain scientist

Ingrid Reumert
Vice-Chairman of the Government's Climate Partnership, construction sector. VP, External Relations & Sustainability, VELUX A/S

Karsten John Hjarsø
CEO, Jensen Gruppen A/S

GSV

Key figures in 2021

GSV focused on continued improvements of the core rental business in 2021. While managing the pandemic, we drove improvements through digitalisation, fleet management, compliance, sales methods and organisation.

REVENUE IN 2021

DKK 978M

2020: DKK 897m

PROFIT/LOSS FOR THE YEAR

DKK 82M

2020: DKK 58m

EBITDA BEFORE SPECIAL ITEMS

DKK 298M

2020: DKK 268m

EBITDA BEFORE SPECIAL ITEMS MARGIN

31%

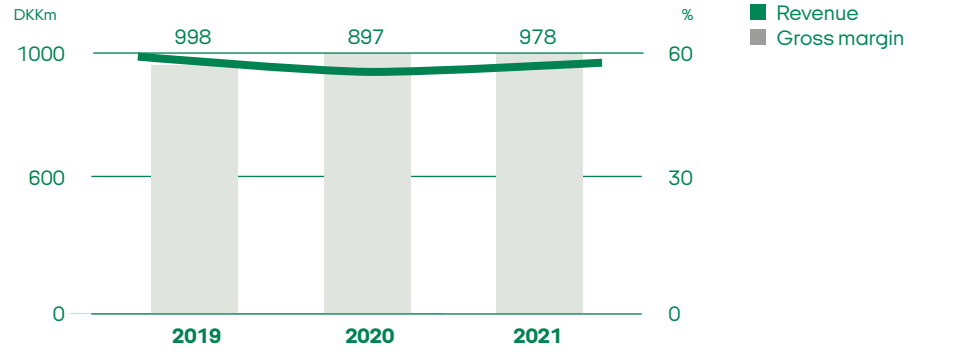
2020: 30%

RETURN ON INVESTED CAPITAL EXCL. GOODWILL

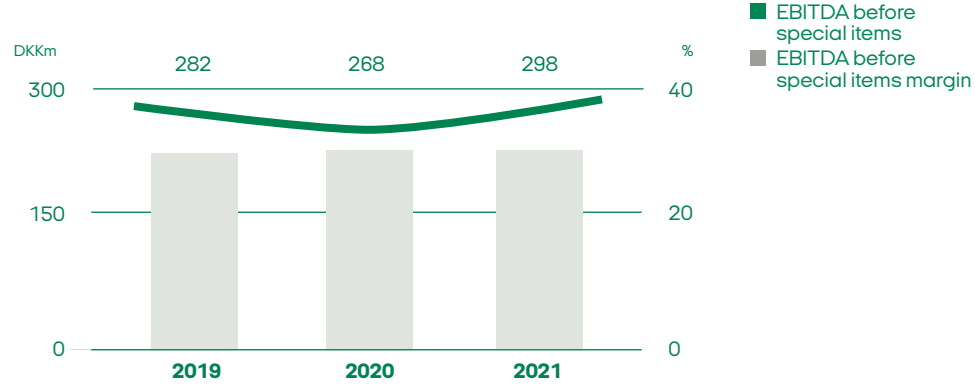
9.0%

2020: 8.0%

REVENUE DEVELOPMENT



EBITDA BEFORE SPECIAL ITEMS DEVELOPMENT



Financial highlights for the group

DKKm	2021	2020	2019	2018	2017
INCOME STATEMENT					
Revenue	978	897	998	834	844
Gross profit	583	541	571	502	495
EBITDA before special items	**298**	**268**	**282**	**299**	**295**
Depreciation, amortisation and impairment losses	-161	-164	-195	-187	-183
Special items	-11	-9	5	-9	-20
EBIT	**126**	**95**	**91**	**103**	**92**
Finance income and finance costs	-17	-18	-26	-21	-28
Profit/loss for the year	82	58	31	63	42
BALANCE SHEET					
Total assets	2,027	1,710	1,681	1,584	1,597
Investments in property, plant and equipment	443	306	232	216	192
Equity	776	694	639	604	541
CASH FLOW STATEMENT					
Cash flow from operating activities	185	105	227	217	234
Cash flow from investing activities	61	56	343	-45	25
Cash flow from financing activities	-235	-185	-462	-174	-323
Cash flows for the year	**10**	**-24**	**107**	**-2**	**-64**

%	2021	2020	2019	2018	2017
FINANCIAL RATIOS					
Gross margin	60%	60%	57%	60%	59%
EBITDA before special items margin	31%	30%	28%	36%	35%
EBIT margin before special items	14%	12%	9%	13%	13%
EBIT margin	13%	11%	9%	12%	11%
Return on invested capital excl. goodwill	9%	8%	8%	12%	10%
Current ratio	96%	86%	86%	43%	47%
Return on equity	11%	8%	5%	10%	8%
Solvency ratio	38%	41%	38%	38%	34%
Number of employees	**470**	**480**	**471**	**384**	**392**

Financial highlights for 2017-2021 are prepared in accordance with IFRS.

Financial ratios are defined and calculated in accordance with the principles in note 1 Accounting policies in the Consolidated financial statements.

Financial review

Comments on the 2021 financial performance

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 operating company hereinafter the group is referred to as GSV.

GSV is the Danish market leader within equipment rental for building and construction 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, sheds/modules in addition to the market's broadest portfolio of construction equipment. GSV services more than 7,000 customers from 18 departments throughout Denmark with the largest product range in the equipment rental industry.

The average number of full-time employees has decreased, from 480 in 2020 to 470 in 2021.

Income statement
The year's total revenue was DKK 978m compared to revenue of DKK 897m in 2020. The rental business saw solid growth in all customer segments and additionally the Fehmarn Belt Tunnel project added significant revenue.

Profit for the year before interest, taxes, depreciation, amortisation and special items (EBITDA before special items) amounted to DKK 298m compared to DKK 268m in 2020

The statement of comprehensive income for 2021 for the Group shows a profit after taxes of DKK 82m against a profit after taxes of DKK 58m in 2020.

The statement of comprehensive income for 2021 for the Parent Company shows a loss after taxes of DKK 18m against a loss after taxes of DKK 8m in 2020.

Balance and equity
GSV's total balance was increased by DKK 316m during the year and totalled at 31 December DKK 2,027m. The increase was primarily due to increase in rental equipment to support the strong growth.

The Group had no bank debt and held cash at DKK 97m at 31 December. GSV supports our customers with a modern and updated fleet of rental equipment to continue to be their preferred rental partner.

In 2021, GSV made investments of DKK 251m in rental equipment compared to DKK 217m in 2020. Equity at year-end amounted to DKK 776m compared to DKK 694m at year-end 2020.

The balancesheet at 31 December 2021 for the Group shows an equity of DKK 776m against DKK 694m at 31 December 2020.

The balancesheet at 31 December 2021 for the Parent Company shows an equity of DKK 378m against DKK 379m at 31 December 2020.

The past year and follow-up on development expectations from last year
The revenue has increased from DKK 897m to DKK 978 m as expected last year. The operational improvement has continued in 2021, as expected in 2020 and the EBITDA before special items margin has increased from 30% in 2020 to 31% in 2021.

Outlook 2022
We expect to increase revenue in 2022 through organic growth compared to 2021 to be in the range of DKK 1,040-1,100m. We expect the market to continue growing supported by a large pipeline of projects. We expect to invest in new rental equipment at a level higher than 2021 to cater for the growth. We expect EBIT to be in the range of DKK 155-170m.

The focus on operational improvement will continue in 2022.

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

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GSV PLAT

Our strategy

In 2021 we grew revenue and profits. We invested in equipment ready for the demands of the future. We invested in staff training and development. We implemented new digital processes, increasing internal efficiencies while offering ground-breaking solutions to our customers. We inaugurated Greve supersite putting GSV in a prime position to service the Capital Area. In 2021 we set the stage for sustainable future growth as we make renting better than owning.

WE WORK TO WIN

We win by making renting better than owning. This means that through all our product offerings we want to give our customers a quality product at a competitive price. We service the Danish rental market from the largest national construction companies to local businesses with customised services. We improve our business processes to ensure competitiveness in the marketplace and to offer innovative solutions to our customers. We end 2021 with a strong balance sheet and resources to grow. Solid capital returns enable us to expand our business through profitable investments into new equipment for the future. Our dedicated staff works hard to service our customers and to win in the market.

WE SET THE STANDARD

Through 2021 we have fulfilled ambitious quality targets – measurable and directly linked to the customer's service experience. We want to get it right the first time. We want to deliver a quality product on time to our customers every time. We measure the timeliness of deliveries and the quality of the deliveries. We know the performance of the individual pieces of equipment and move swiftly to dispose underperforming assets. In 2021 we continued our ISO 9001 certification status. We are certified according to an international standard – something our large international customers requires.

WE LEAD DIGITAL TRANSFORMATION

GSV is leading the digital transformation of the rental business in Denmark. From our internal service systems to GSV digital customer interfaces we have end-to-end digitalisation of our workflows. We offer the customers a full service and information platform to conduct their business with convenience and speed. We give our customers real time overview of rented machinery including rates, location, and duration. We help lower the number of rental days and ensure our customers always know the costs. Inside our operations the digital platform ensures a precise and expedient registration of equipment enabling prioritization and monitoring of performance. In 2021 we combined all these digital facilities into a full equipment control offering allowing our customers to seamlessly operate own, GSV and 3rd party equipment with a fully integrated information flow.

WE PUSH SUSTAINABILITY

Construction industry has a large CO_2 footprint. The goals of CO_2 reduction are well defined in Danish le- gislation and in international fora. GSV is committed to push sustainable solutions. Sustainable construction has been at the top of the agenda at GSV for many years and the world around us knows, that we have accelerated our green transition. GSV is a part of the government's climate partnership, we won the price for Best Sustainable Rental Project at the European Rental Awards, and we place almost all our investments in climate friendly equipment. Sustainability is no longer just a buzzword. It's a prerequisite for doing business, and at GSV, we are proud to be among those who takes the lead. We push for sustainability and stand ready to provide our customers novel environmentally friendly solutions.

THEME #2

Operational quantum leaps 2021

Greve facility – striving to stay a European Benchmark for Equipment Rental facilities

Hundreds and hundreds of machines are rented out every week from Greve – with an equal number of machines coming back from customers. Machines returned after rental, machines being washed, cleaned, and serviced – machines being repaired, or electrically charged. Trucks are constantly offloading and onloading machines, on their way from or to the many customers.

The Greve facility is busy 24 hours a day, 5 days a week. The workflows and processes are efficient and sleek. Designed to the last detail. The facility exudes modernization, digitalisation, and efficient handling of a large-scale equipment rental business. It is GSV's main facility, serving not only the greater Copenhagen area, but also the rest of Zeeland.

The "new" Greve facility is probably the most modern and efficient facility in Northern Europe – and one of the largest. It represents an ambitious Benchmark for others – and it is GSV heartland. Without it, GSV would not be able to serve our customers in the quantities, in the qualities and in the time-frames required. There is nothing like it in the rest of GSV, in the Danish rental business for that matter; and there are very few (if any) similar facilities in Scandinavia and in Northern Europe.

We phrase it the "new" Greve facility because it was not always so.

The Greve facility was embedded as a central part of the vision behind GSV's acquisition of Ramirent Denmark. For several years the facility had served as Ramirent's central depot and Danish headquarter. To GSV the facility was a central part of the acquisition, partly because of its unique size and attractive location and partly due to the possibilities to consolidate and optimize GSV's facilities around the Greater Copenhagen area into one facility, taking advantage of combining facility-size and GSV's business scale.

This, however, required a complete rethinking and redesign of the facility – followed by a significant reconstruction of layout, buildings, infrastructure, and coating. The starting point for this rethinking, redesign and reconstruction was a whole new way of seeing the optimized workflow in the facility. Equipment reception, washing, fleet preparation, rental offices, stabling areas, electrical charging, repair workshops, etc. All functions linked together in an optimized workflow.

The redesign and construction project were finished by 1 July 2021, where the entire facility was put into usage in its new redesigned form.

It is not only more scale-driven, modern, and efficient than other facilities. It also put into use GSV's "green strategy": LED lightning, reusage of washing water, fitted with numerous charging stations ready for a future with electrical machines. The work environment has been designed and implemented to take as much as possible care for our employees.

The results speak for themselves. The Internal process time – or "the unproductive time" here defined as time where the machine cannot be rented out to customers – has been cut from 15.8% of all available time to around 8%; the unproductive time was cut in half. Staff requirements have been cut by approx. 10%. The work-related accidents/incidents have been cut by 50%.

This has made Greve one of the main contributing factors to GSV's overall results for 2021.

But it does not end here. Instilled in the way of working in GSV and in the Greve facility is a constant drive for continuous improvements – and the plan for 2022 is already in place and being executed. Both improvements on physical installations and workflow improvements for efficiency and employee care are in motion.

Serving Fehmarn Belt – maybe the largest European construction project in the coming decade

Hundreds of Construction Machines now decorate the landscape around Rødby 24/7 all days, all year – and they will do so in the coming years. Dumpers, Excavators, Light Towers - lots of them, and they are busy. They take part in constructing the 20 km long road and rail tunnel between Denmark and Germany. When visiting the construction site, the keen observer will note that a significant number of the machines carry the GSV logo.

> **"The Internal process time – or "the unproductive time" – has been cut from 15.8% of all available time to around 8%; the unproductive time was cut in half"**

The activity has only just begun – it will grow further over the next years and will only end by the turn of the decade.

It is one of the largest construction projects in Europe – and at GSV we work diligently to stay the preferred rental partner throughout the duration of the project.

Back in 2014 GSV established its facility in Rødby with a vision to become the preferred Rental partner for the construction companies working with the project. We have prepared for this ever since and in 2021 with the start of the construction phase we now take the opportunity to proudly prove that the preparation was well-spent.

Together we have gained the insight and experiences necessary to operate this size project in this part of Denmark. Since 2014, we have expanded our physical facilities in Rødby with new washing and repair facilities and with new administration offices. Our staff has increased from 4 to 18 FTE, making Rødby now one of the largest facilities in GSV.

Walking around the Rødby depot today leaves no room for doubt – it is a busy depot, also outside normal business hours. Equipment driving at the Fehmarn belt project are busy all day, all night, all year – and need for service and more machines always arrives. This is the perfect environment to really prove GSV's values – "people first", "customer first" and "No" is not an answer".

Over the coming months and years, we will follow the growth of the project by growing our delivery capacity, more machines, more people, more competencies. With our digitalised delivery processes we scale with necessary agility and ease to avoid any customer impact.

Our markets

The vast majority of GSV's activities are performed in Denmark for danish and international companies, organizations, and public customers.

In 2021, we have seen an overall high activity on the Danish market and have had many projects in the pipeline both on a smaller and larger scale.

The Danish market for rental equipment to civil engineering, renovation, and construction industries amounts to approximately 4.6 billion in 2021 according to the European Rental Association, and the market is expected to grow even further in 2022. The new year is expected to bring even more activity in especially civil engineering and renovation and exceed the general growth in Denmark.

The COVID-19 situation did not have much impact on our markets in 2021 as developers chose to postpone their project start-ups in 2020 to 2021 for some of their larger projects. The Fehmarn Belt connection was also initiated in 2021 affecting our markets positively.

In 2020, the public construction spending ceiling and the green housing agreement were created to mitigate the COVID-19 situation, and in 2021 we saw the positive effects of these initiatives.

Market opportunities

As the development in the equipment rental industry generally follows the activity level in the civil engineering, renovation, and construction industries, the overall outlook for 2022 is positive for most construction types. In 2021, the Danish government passed the infrastructure plan for DKK 161 billion (Ministry of Transport, 2021), which is expected to start up in 2022 and is set to last until 2035. Together with The Fehmarn Belt connection, which is set to last until 2029, the two projects will drive the infrastructure segment affecting civil engineering positively. In 2022, renovation is expected to grow further as many public housing providers are planning to renovate due to the government's ghetto package. The green housing agreement has also released funds from The Rural Development Fund, and the first projects are expected to start in late 2022 affecting renovation positively.

GSV IS CONTRIBUTING TO MAJOR CONSTRUCTION PROJECTS IN DENMARK

Fehmarn
Facebook Odense
Hillerød Hospital
Medical production
Novo Nordisk
Copenhagen Light Rail
Nordhavn
Lynetteholmen
Infrastructure Lynetteholmen
OUH Odense
Baltic Pipe Jylland

Sustainability

We see a clear tendency that the industry's support of sustainability is on the rise. From 2021 to 2022, there is expected to be an increase in certified construction of 43% (The client barometer, 2021). Especially the DGNB certification (Certification of sustainable construction) will gain ground. More so, there is increasing recognition among contractors and constructors of the opportunity of reducing the industry's environmental footprint by renting equipment rather than owning it. In Denmark, 65% of new equipment is sold to constructors themselves, and the last 35% are sold to professional rental companies. Some of the key sustainability benefits of renting rather than owning, include higher utilization of equipment, efficiency gains, and continued renewal of the fleet. This facilitates quick uptake of new, more environmentally friendly technologies such as electric or battery-driven solutions. Finally, regular maintenance as conducted by professional rental companies prolongs the expected lifetime of equipment to the benefit of both the environment and businesses.

In 2021, we bought 900 new machines rather than the, 2000 that would have been the case, if we had not digitalised our processes, allowing us to use our machines more optimally. Our strong focus on our utilization rate – and on high-quality maintenance – is in line with the increasing global focus on creating a circular economy. This means increased reuse, recycling, repair, and sharing of resources – right at the core of our business.

Our customers

GSV is market-leading on the Danish market for rental equipment for more than 7,000 key, regional, and department customers. This gives us a resilient position with many levers for growth and profitability under changing market conditions. Our customers know that no matter what type of equipment they need, they can get it from us. In 2021, we implemented a monthly customer satisfaction survey to gain more insight into how we can become a better partner for our customers.

Sales to our key customers constituted 58% of our revenue. A dedicated key account sales team services our key country-wide customers individually, who often request a wide range of equipment. In 2021, we had a specific focus on the identification of upcoming large-scale projects to enable a proactive sales approach. In addition, we have increased our local presence on construction sites to enroll new customers once the construction project is up and running.

Regional and department customers are more local in nature. The regional customers have requirements like our key customers but on a smaller scale. Our department customers often request single equipment in short periods and will pick up and return the equipment by themselves. These customer units require personalized, local service, flexibility, and immediate availability of equipment.

CUSTOMERS

% of revenue

58%
Key customers

20%
Regional customers

22%
Department customers

THEME #3

Sustainability – a core priority in GSV

In 2021, GSV accelerated its green transition. Digitalisation is an important driver in optimizing processes and reducing CO_2 emissions. Furthermore, we have been investing heavily in climate friendly equipment and machinery and will continue to make this a core priority.

In GSV, we know that a green transition is a prerequisite for doing business, and we act accordingly. We are proud to continue to take the lead on sustainability in our industry, which we know causes 5.1 million tons CO_2 per year, corresponding to 10% of Denmark's total emissions. This coming year, we will continue our efforts to reduce GSV's CO_2 footprint.

"We are proud to continue to take the lead on sustainability in our industry, which we know causes"

5.1

million tons CO_2 per year

GSV's Sustainable Development Goals
In GSV, we have worked on the following five Sustainable Development Goals (SDGs), and we make it a priority to improve ourselves continuously on these five fronts:

Sustainable Energy
We have chosen a green power supply for all our locations. We have reduced the temperatures in GSV's washing systems from 80 to 30 degrees Celsius. We continue to follow the newest developments within battery and HVO machinery closely and will continuously update our fleet.

Sustainable Cities and Communities
All GSV logistics (transportation of machinery) in the capital area drive on HVO. Our logistics have a new IT system, which does smarter packaging, saving miles and CO_2. We have supplied vehicles to the first emissions-free construction sites.

Sustainable purchasing and production
Through shared economy and digitalisation, we ensure that our use of machinery is optimized, and we minimize our overall use of resources. We can chart CO_2 footprints of each machine on our customer platform, so we and our customers can keep a close track on CO_2 footprint.

Climate Investments
96% of GSV's investment budget for 2021 was allocated to climate friendly machinery and we will continue that way in 2022. We continue to invest in a digital transformation of all our processes with the aim to reduce our resources and CO_2.

Partnerships that matter
With GSV's conference 'The Future of Construction', we gathered decision makers from the entire supply chain, and we agreed to reduce CO_2 emission across construction processes. We enter partnerships with our customers to ensure shared economy benefits and a more optimized use of resources.

Digitalisation drives green transition
Within GSV, digitalisation has optimized the time in which our machinery is not in use from 16% to 8%. This is done by making internal processes leaner and by giving our customers a better digital overview of the fleet. Hereby, our machines are used more frequently - and as they need to be replaced, we can upgrade each machinery to a more climate friendly alternative.

Across the industry, we see too much idle time when it comes to machinery. With digital renting tools, GSV now helps our customers optimize fleet management and enhance the use of machinery. By sharing and renting machinery, we optimize our collective resources, make it less expensive to use climate friendly equipment, and ultimately, we help reduce industry CO_2 emissions.

Sustainability objectives 2022
In 2022 we aim to become even more sustainable. GSV has formed a sustainability committee that plans to begin its work in the first quarter of 2022. The committee's purpose is to discuss the many important sustainable development issues that need to be decided on or addressed. In 2022 we will introduce and further develop a detailed mapping of our CO_2 footprint to get a perspective on how we can improve to become as environmentally friendly as possible. We will continue to prioritize green machinery over conventional. Lastly, we enter partnerships with our customers to optimize their use of equipment making their footprint smaller.

Our products

We always strive to deliver the optimal solutions and the best customer service. 2021 has been a year with a strong focus on further optimization of the portfolio. As a one-stop-shop, we offer a broad and deep range of the newest equipment with a strong focus on sustainable equipment.

The optimization of the equipment portfolio has taken place through divestments of older equipment and reinvestment in newer sustainable equipment using fewer manufacturers to meet the increasing focus on the environment, ensure operational reliability and optimal internal processes. It has also caused the utilization rate to increase.

In 2021, special investment has been made in heavy equipment, to some extend due to Fehmarn.

GSV's fleet now amounts more than 21,800 pieces of equipment. This is by far the largest and most diversified fleet in Denmark, and we can fulfill the needs of many specific industries. For example, we have a sizeable fleet fitted for working under the conditions of rail construction.

Our strategy from 2020 to ensure that 85% of the GSV fleet is sustainable equipment by mid of this decade, has been surpassed as 95% meets current environmental requirements by the end of 2021.

"Continuous investments ensure that our fleet is performing well and living up to the latest quality, safety, and environmental standards"

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

Platform

- Work platforms
- Mast cranes
- Loading platforms

Small equipment

- Generators
- Vibrators
- Heating equipment
- Tools

Solution

- Climate
- Access
- On-Site
- Facility
- Logistic

Fleet investments

Continuous investments ensure, that our fleet is always renewed and living up to the latest quality, safety, environmental standards and at the same time are sustainable. The investments are based on overall market outlook as well as individual customer needs.

Careful return on invested capital and total cost of ownership considerations, are made to optimise investments based on quality, service and handling costs, equipment lifetime and investment size. In 2021, GSV invested DKK 251m in its fleet to maintain an attractive, sustainable, and updated fleet. Our fleet currently has an average age of 4.7 years, excl. our modules business, platform, and small equipment.

GSV is consolidating the number of manufacturers within the fleet to a level where each main product line only includes 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. Sustainability
3. Availability
4. Service options included

NBV DIVIDED INTO EQUIPMENT TYPES

DKKm

463.8 Modular space

24.9 Platforms

57.0 Small equipment

13.0 Rail

122.5 Heavy equipment

244.2 Light equipment

7.6 Other equipment

177.1 Lifts

THEME #4

Digitalisation

Digitalising the rental industry
The digital transformation in the construction industry continued in 2021 with full force. It has become clear to everyone in the industry, that the conservatism and hesitancy we have experienced in recent years to introduce digital solutions in the construction industry, has reversed and the industry is now fully engaged in the process of digital transformation.

Our customers want a transparent overview of rented equipment, insight and more self-service when they rent equipment for their projects. It must be easy to rent equipment, return rented equipment and report incidents if the equipment breaks down

Customers require deeper integration between their own IT systems and our digital platforms for more efficient processes and workflows

GSV want to help our customers in a very competitive construction marked. This means a constant need for optimization of our rental business overall, that enables us to rent equipment at competitive prices. Digitalisation is one of the elements of this optimization that ensures efficient and data-driven rental.

Digital development team
Over the past two years GSV has established a strong digital development team with representatives from all departments in GSV. Two project managers in the development team ensure that our internal or external digital development projects are completed on time and on cost.

Once the projects have been completed, the project managers are responsible for implementation in our organization.

"In 2021 we reached our 2021 goal of 15% digital bookings on single days – however, averaging 10% at the end of the year"

In 2021, we established a digital ambassador team consisting of 24 employees in GSV. The ambassador team is an important part of the implementation success of new systems in the organization.

Our projects managers work closely with internal IT in GSV and a few selected suppliers for the development of our digital platforms.

We use agile project development in all our digital development projects, which gives us a high execution power.

Digital sales channel
Our goal is to be the industry leader in digital solutions and be one step ahead of our competitors.

GSV has one of the most customer-friendly and advanced APP and WEB platforms in the rental industry.

We are constantly progressing our APP and WEB platforms to always be at the forefront.

We make use of our digital customer forum to ensure that we develop the functions and services customers want, and to constantly align customers' needs and wishes for our digital platform.

To promote the use of our digital sales channel, many customer events and customer meetings were held in 2021, focusing exclusively on the digital platform and how the platform helps customers optimize their rental and give them an overview of rented equipment.

In 2021 a digital account manager in our team was hired, to ensure that all our customers benefit from our digital platforms, and thereby optimize their own business.

Digital marketing
To ensure that our customers are constantly updated about new features on out digital platforms, we make posts on Facebook, LinkedIn, and Instagram.

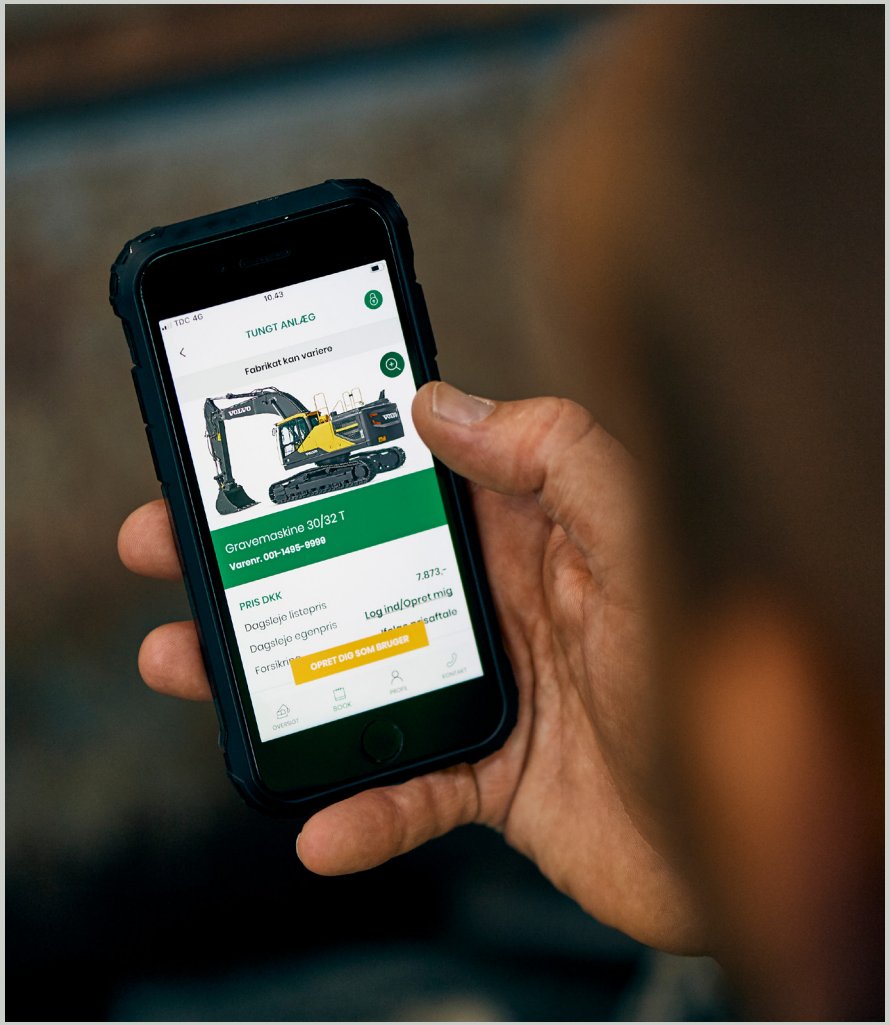
Email marketing is another initiative enables us to automated email flows and personalized emails and target relevant information to the customer.

Some of the new features on the APP/WEB in 2021 are:

- New advance dashboard with CO_2 reporting
- Return equipment via SMS without using our APP or WEB
- Telematic portal collects data from all types of GPS systems in a single database

Logistics advanced route planning
We continued development of the internal APP for our logistics (truck drivers) as another tool that ensures correct and timely delivery for our customers. We take pictures of all deliveries and pick-ups, so that there is no doubt about the condition of the material at delivery and returns.

Latest development makes use of 3rd party software for planning optimal routes and cargo. The portal analyses the material to be transported and plans loads on the trucks and optimal routes for delivery and pick-ups.



DIGITAL PARTNERSHIP WITH VAM A/S (CUSTOMER PORTAL)

The construction industry is seriously unleashing the great digitalisation potential that contributes to better, cheaper and more CO_2 friendly operations. The partnership between GSV and VAM shows how collaboration across the industry creates faster results and enables more digital solutions.

The customer portal is built on GSV experience in rental and has been developed in collaboration with our customer VAM. The customer portal is integrated with VAM internal IT systems, so that they have one unified system, which consists of an APP, WEB platform and a dashboard.

The Customer portal gives VAM full access to GSV's di- gital system, where VAM can order its own equipment with a single click or rent a machine and order services from GSV like transportation and workshop.

Using the Customer portal VAM eliminates unnecessary wasted time if VAM's own machines are busy.

VAM can also extract data that provides an overview of the utilization rate of the individual machine and ensures high efficiency as well as CO_2 accounting for each individual machine after use. In addition, VAM can track own and rented machines and see exactly where they are and whether they are running as expected.

Corporate social responsibility (CSR)

Cf. sections 99A and 99B of the Danish Financial Statement Act

Our approach and policies

GSV has a long-standing commitment to act responsibly. We put people first with a keen focus on creating value through relations with our stakeholders. We are committed to contributing to society and work actively to partner with our stakeholders to create sustainable solutions. Our policies for social and environmental responsibility are integrated in our ISO-certified quality management system (QMS) and guided by the ten principles of the United Nations Global Compact. Further, we have in place a Code of Conduct for our employees and for our Suppliers.

In 2021 we have continued our strategy of using safety as a cultural anchor point across departments and work functions. We believe that a conscious safety culture creates unity and job satisfaction while also having a positive effect on productivity. On the back of several acquisitions and in a market with almost perfect competition, these are critical success factors. Based on developments in quality and safety parameters as well as employee satisfaction surveys we are strengthened in this belief and will continue this strategy in 2022.

Efforts in 2021 have naturally been affected by the COVID-19 pandemic and the subsequent impact on society and the economy. We have been and continue to be fully committed to shoulder our dual responsibility to safely steer society and GSV through the pandemic. While aiming at minimising the risk of spreading the COVID-19 virus, we also contribute to society by keeping a high level of activity and maintaining as far as possible a high level of job security for our employees.

GSV is primarily involved in the establishment and operation of engineering and construction sites and rental of equipment. We have no direct control of the equipment during use. We believe that the following social and environmental aspects are particularly important for us and our stakeholders:

- Health and safety of our employees
- Equipment quality and level of maintenance and environmental friendliness
- Resource consumption
- Use and handling of chemicals
- Waste handling
- Fraud and bribery

Report scope

This section constitutes GSV's statutory report on Corporate Social Responsibility for the financial year 2021, pursuant to sections 99a and 99b of the Danish Financial Statements Act. Included data and description of activities cover the period 1 January – 31 December 2021, unless otherwise stated. Numbers are based on readings, invoices, or registrations in our it-systems.

GSV
...lej på gsv.dk
70 12 13 15

ORGANISATION

The responsibility for GSV's CSR policies is vested in the Executive Board, while overall operational responsibility is placed with the Chief Operating Officer (COO).

ANTI-CORRUPTION

GSV has a zero tolerance towards fraud or bribery. Our obligation to fight corruption is governed by the code of conduct, and any violation is encouraged to be notified directly to our CFO or any member of corporate management. During 2021, we did not observe any incidents or violations of our anti-corruption policies.

The main risks related to our business is fraud and certain forms of bribery, namely related to invoicing and gift-giving. Our personnel are trained in handling invoices correctly and know what to look for to identify possible fraud. In 2021, we continued training of personnel and we require any supplier entering a business contract with GSV to adhere to our code of conduct.

LABOUR

We want to maintain a working environment that is free from harassment and discrimination and respects diversity. We do not employ people under 18 years of age to perform work that has health and safety risks. To ensure that our human rights policy is also followed by our suppliers, it is an integral part of our required code of conduct for suppliers. We recognise the right of employees to be members of a trade union and negotiate pay and working conditions.

Our commitment is furthermore expressed in our policy on gender equality, which is applicable to Board and management levels, according to § 139c in the Danish Companies Act. Please refer to section on gender diversity.

The main risks related to our activities include non-adherence to GSV's principle of preventing discriminatory practices and securing equal opportunities and potential legal, financial, and personnel-related consequences hereof.

Our HSEQ APP, which is available to all employees on both PC and mobile device, provides the opportunity to anonymously report deviations from our QMS, be it quality or safety, as well as legal or ethical concerns.

Gender diversity, cf. section 99B of the Danish Financial Statement Act

GSV has a zero tolerance to discrimination and provide equal opportunities for all genders and ethnical backgrounds with respect to salary and promotion and ensuring a good working environment for all employees to best utilise their skills and gain management responsibilities. We operate in an industry with few female workers, and we are experiencing difficulties in recruiting female employees at all levels of the organisation. Despite of this we have successfully recruited female managers for several open positions.

During 2021, there were female managers in marketing, finance, payroll, and human resource management, as well as in main workshop east and modules site east. In 2022, we continue to work to expand the female candidate field for open management roles by requesting from our external recruitment partners that they always present their strongest female candidate for the interview rounds. In the end, employees, managers, and Board members are always selected and employed based on experience and competences.

Currently, the total number of Board members is five and there are no female representatives. We continue to have a goal of at least one female representative before 2025, but so far no suitable candidates have made themselves available.

Whistle-blower scheme

We have contracted with the law firm Bruun & Hjejle to establish a whistle-blower scheme, in accordance with Danish law no. 1436 of 29/06/2021 containing provisions implementing EU's Whistle-blower Directive 2019/1937/EU of 23/10/2019. The actual whistle-blower platform or WEB portal is delivered by EQS Group A/S and Bruun & Hjejle will assist with the first screening of claims to qualify if claims are rightfully under the whistle-blower policy and to ensure the right process is followed internally.

HUMAN RIGHTS

GSV recognises internationally accepted human rights, including the right to a healthy and safe workplace. The main risks related to our activities include unintended incidents at our sites potentially leading to injuries.

Our QMS provides stringent procedures for handling of chemicals, personal protective equipment, and work processes, as we don't accept work accidents. We work diligently with contingency planning and registration of deviations to stop accidents before they happen. An independent monitoring body audits the QMS through unannounced inspections throughout the year as well as an annual in-depth review.

In 2022, we continue our focus on reporting of safety observations, that can be defined as close calls with the potential for injury or property loss as well as unsafe working conditions. We will continue to work closely with depot managers to raise awareness among employees of safety observations and their importance for avoiding accidents to happen, and we have seen a significant increase in the number of reported safety observations relative to lost time incident.

We measure and monitor our health and safety work by the number of work-related accidents involving lost work time per million working hours (LTIF) and by the number of registered safety observations relative to lost time incident.

After persistently working on it we have succeeded with a cultural shift from centrally determined police management, to managers and employees themselves taking responsibility and working with local action plans on site where the accidents happen. As a result, our LTIF have dropped from 26 in 2020 to 11 in 2021. The industry average for construction and civil engineering in 2020 was 20. We have reported 42 safety observations per lost time incident, which is up from 29 in 2020 but still short of our target of 60. This will be a focus area in 2022.

GSV regards a conscious safety culture as a strong and necessary foundation, not only for the health and safety work but also for the quality of work and will continue to prioritise this.

ENVIRONMENT

It is our ambition to continuously reduce the environmental impact of our business and we therefore constantly strive to reduce our resource consumption, such as energy and water, and increase our materials efficiency and limit waste amounts. Recognising that a large part of our environmental footprint lies outside of our control, we encourage the development and diffusion of environmental and climate-friendly technologies, e.g., equipment based on electricity and batteries rather than fossil fuels, and we have included environmental considerations in our supplier code of conduct.

To further this ambition, we have set up a working group with our CEO and senior managers from different areas of business. Their goal is to identify areas for action, calculate business cases and implement solutions that further a reduction of resource consumption in GSV. An example of an outcome from this group is the planned installation of solar panels in our modules site East to create the first CO_2-neutral rental site.

In 2021 we continued to explore the use of Hydrotreated Vegetable Oil (HVO) as a renewable diesel fuel, and are progressing in the transition in internal handling, i.e., fuel tanks, security of supply, certification etc. As a test case we have two haulers propelled exclusively by HVO in the capital region, and we exclusively procure new equipment that is HVO compatible. Our plan is to invest in this, and adjacent environmentally friendly technologies, driven by customer demand.

Our activities are subject to environmental laws and regulations governing, among other things, noise, wastewater, and waste disposal. The main environmental risks related to our activities include unintended fuel spill and leakage, as well as excessive energy consumption and incorrect waste handling. Risks are monitored locally to prevent, remedy, or minimise any adverse effect on the environment, and we conduct emergency drills to prepare for possible environmental accidents. In 2021, there were no unintended environmental impacts.

In 2021 we continued the collaboration with our waste management supplier on more thorough waste sorting and more stringent compliance. We purchase all our electricity from Norsk Elkraft, and we obtained a certificate for 100% certified CO_2-neutral electricity in 2021.

Our main water and chemicals consumption relate to the washing and cleaning of equipment upon return delivery. All supplier sellers and outlets have been instructed to comply with an environmentally conscious positive list, and supplier agents comb all depots and remove products that are not on the list.

In our new Supersite Greve, we have installed a state-of-the-art water recycling plant in connection with the washing facilities for return equipment. We use on average 15 cubic meters of water each day in this facility, and when the plant is fully operational, we expect to reduce consumption by 50%.

Health and Safety Committee – a Human Interest piece

In 2020 we faced a challenge. In just five years, we had completed four significant acquisitions. From an operational standpoint each acquisition was a success, but it left the company a bit of a cultural rag rug. At the same time, safety wasn't being prioritised and our incident frequency was unsatisfactory. The equipment rental industry as a whole is immature when it comes to safety, and we were no exception. We then took a conscious decision to enact a stra- tegy of using safety as a cultural anchor point. Regardless of everything else, safety in the workplace is something everyone can rally behind – a common goal – and in addition to being ethically sound, we believed it held the power to reinforce unity and job satisfaction while also positively affecting producti- vity. At the time, we had no idea how right we were.

Strategy is no match for culture, and we knew that to be a success, this cultural anchor point would have to be with the employees in the production, and not with management in power point presentations. Therefore, the first step was to establish a brand-new occupational health and safety committee. The new committee would be much larger, with employee and management representatives from all work functions, and have a much broader mandate. Instead of focusing only on the physical working conditions, they also deal with training of new employees, collaboration across job functions, employee satisfaction and much more. On the committee sits union representatives and senior management, and it is chaired by the CEO. The committee have implemen- ted a wide range of initiatives, large and small. In 2021 the committee passed a new health and safety strategy for GSV with ambitious goals for the continued work.

Since the establishment of the committee, safety have been put first everywhere and every time. It is the first point on the agenda on every management - and team meeting, and the representatives on the committee are recognised as employee ambassadors and cultural lighthouses. Our health and safety strategy comes to life in concrete action plans thought out and implemented by local committee groups on the front line where the challenges originate.

Using safety as a cultural anchor point to strengthen job satisfaction and increase productivity, by empowering an employee-driven health and safety committee. It sounds simple, but it has become the power behind a cultural revolution that has taken its own life and is continually amplified with amazing results. In 2021 our incident frequency has more than halved. Our employee satisfaction has gone up 14 points. Our internal process time have dropped five percentage-points. In short, our people do an amazing job, they have fun while they're at work and they get home safe. We are a modern company with classic virtues. We are GSV.

CSR DATA AND NON-FINANCIAL KEY PERFORMANCE INDICATORS

Environmental data and indicators	Unit	2021	2020
Water consumption	m^3	15,159	16,019
Energy for heating	kwh	4,109,958	3,518,082
Electricity	kwh	2,275,419	1,984,215
Chemicals consumption*	liter	27,089	22,325
Waste	mt	1,778	1,909
Recycled	mt	1,525	1,613
Incineration	mt	226	252
Landfill	mt	25	34
Recycled waste ratio to total waste	%	86%	84%
Chemical's consumption pr. delivered units	liter	0,30	0,29
Energy for heating pr. m2 (building area)	kwh	96	78
Electricity consumption pr. m2 (building area)	kwh	53	44
Building areas	m^2	42,859	44,870
Delivered units	no.	90,867	76,975
Health and safety data and indicators			
Safety observations	no.	423	717
Lost Time Incidents (LTI)	no.	10	25
Lost Time Incident Frequency (LTIF)**		11	26
Safety observations per accident	no.	42	29
Gender split female/male			
Executive Management, Directors and senior managers	%	10/90	7/93
Board of Directors	no.	0/5	0/6

* Not including oil, grease, and engine fluid
** Work-related accidents per million working hours

HEALTH AND SAFETY TARGETS 2022

It is our ambition to significantly reduce the number of work accidents and strengthen our safety culture. For 2022, we have set the following targets:

LOST TIME INCIDENCE FREQUENCY

10

11 in 2021

SAFETY OBSERVATIONS PER. ACCIDENT

60

42 in 2021

ATTENDANCE

97%

96 in 2021

ENVIRONMENTAL TARGETS 2022

We have set the following environmental targets for 2022:

FRACTION OF RECYCLED WASTE

90%

86% in 2021

GENDER TARGET 2022

We have set the following gender targets for 2022:

FEMALE MEMBERS OF THE BOARD OF DIRECTORS

20%

0% in 2021

Data ethics

Cf. section 99D of the Danish Financial Statement Act

At GSV we collect, store, and use a large variety of data. Most data are used for internal purposes. Examples of that would be costumer profile data, operational data, and suppliers related data. Data that is governed by GDPR requirements pertaining employees, potential future employees, and applicants are stored in a GDPR compliant depository in our HR application Mindkey.

GSV data is collected through various internal platforms primarily CRM (SuperOffice), and ERP (NAV/Business Central). The data is therefore generated by us.

Our marketing department obtain data through a subscription channel "FaktaNet Live". That data is used internal only. Marketing also maintains our SoMe channels. We do not store any data that way. In the rare cases where we share information with our subcontractors, a DPA will be signed to secure proper data ethics within our supply chain.

GSV does not in any cases sell data, and we do not use any methods of AI, machine learning or other algorithms to make decisions or calculations for us.

To prevent bias, we have our ERP system rating every supplier on the same calculation points. Every employee with a status of manager/leader is trained in our use of data and are therefore responsible for sharing correct data ethics. All decisions regarding data ethics and new system development are anchored within our corporate management.

The politics consists of:

- All data are stored in cloud solutions protected by GDPR requirement.
- Collection of all data through internal platforms or external partners are only used internally.
- If sharing data with external partners, a DPA will be required.
- Ongoing education/training of employees on how to handle data.

Risk management

RISK GOVERNANCE STRUCTURE

GSV is managing the risks inherent in the business activities and reducing the potential financial impact of these to an acceptable level through mitigating actions.

Central to our risk management strategy is systematic data collection from our internal systems, which provides a solid basis to ensure identification of risks and options for mitigation for management to pursue. This process is supported by fast information flows, thorough root cause analyses and short response times accommodated by our flat organizational structure. In 2021, we developed further insightful and timely reporting and controls as we continued to di- gitalise our processes. We use this information for daily, weekly, and monthly reporting to ensure identification of deviations and follow up on relevant key performance indicators.

Our risk management approach 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 and strategic targets. The Board of Directors has the final responsibility for GSV'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 GSV's risk management activities.

PARTICULAR RISKS – OPERATING AND FINANCIAL RISKS

Operating risks
Material operating risks stems from:

- The external environment setting the opportunities for revenue
- Our need to control and scale costs
- Our need to secure, maintain and manage our fleet of rental equipment
- Our ability to deliver adequate safety, timeliness, and quality services to our customers
- Our ability to develop, maintain and operate digital solutions with security and high uptime

Most of our customers operate in the engineering, building and construction industries, where the level of activity is dependent on economic macro trends, which may thus affect GSV's sales potential and thus earnings. We monitor the development of projected construction activity and adjust accordingly.

The rental market in Denmark is competitive and demanding. At GSV, we monitor revenue progression real time and ensures the price and quality is competitive to mitigate the risk drop in market share and thus revenue.

GSV also monitors costs development tightly to ensure adaption of lower costs should the market environment warrant this. We have shown historically that GSV can swiftly respond to a downturn in the construction market by resizing the fleet and operations.

Fleet management at GSV has in 2021 continued to develop tools to monitor the performance of the fleet. Ordering and delivery of new equipment is key to GSV to maintain the right age profile to enable quality services. Information, strong planning processes, long term partnerships with suppliers and careful selection of brands are all factors mitigating the risks related to fleet management.

At GSV, we monitor real time the quality and timeliness of our customer deliveries. Thereby we can swiftly introduce mitigating actions if our performance indicators start slipping. Our ISO 9001 certification is the reflection of the quality work performed throughout the GSV organization.

Embedded with quality is strong mitigating processes to avoid safety incidents. GSV has increased the safety work materially over recent years and in 2021, we lowered our Lost Time Incident Ratio well below the industry average. Failing to maintain a safe working environment would compromise our "People First" core value.

As the digitalisation of GSV has grown in importance so has the need for security and high uptime. GSV works with quality suppliers to protect our systems. It is obvious that threats and risks in this space are very fluid and fast changing. GSV thus will need to tighten the risk management continuously to protect the integrity of our data.

Our Executive Board and Board of Directors continuously address the development of the business in respect of operational risks and ensures processes monitor and mitigate risks.

In 2021 additional attention was paid to risks related to COVID-19. First and foremost, to ensure the safety and health of the GSV employees by following regulations and guidance from the health authorities. Secondly to maintain operations uninterrupted. COVID-19 did not cause any material detrimental impact in 2021.

Financial risks

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

GSV is financed by its equity and asset-based leasing. On 31 December 2021 the solvency ratio was 38%. This was less than the end of 2020 (41%). At any given time, we aim to have cash covering between one and two months of operating costs. Cash consists of cash in bank and drawing rights for short term liquidity.

We have not taken advantage of financial transactions or used financial instruments that do not support the underlying business.

As of 31 December 2021, the net interest-bearing debt including IFRS 16 debt was DKK 859m, which is considered a moderate level debt. GSV debt is solely asset backed leasing debt.

Our equipment leasing portfolio is supplied by four Danish leasing companies and we have adequate sources to fund our investment needs. We structure the duration of the leasing contracts to match cash flow of the underlying assets, to ensure a balanced cash flow.

Board of Directors

CARSTEN NYGAARD KNUDSEN
Chairman of the board

PETER RYTTERGAARD
Deputy chairman

VILHELM EIGIL HAHN PETERSEN
Board member

Year of birth	1961	1970	1960
Joined the board	2015	2015	2015
Directorships	**Executive Board:** Søgaarden Sjælsø ApS, Kaerhøj-Invest ApS. **Chairman:** G.S.V. Holding A/S, G.S.V. Materieludlejning A/S, Stibo A/S, TITAN Containers A/S, TITAN Storage Solutions A/S, M&J Danmark A/S, M&J Recycling Group ApS. **Member of the Board of Directors:** Lyngsoe System Holding A/S, Lyngsoe System A/S, EG A/S, EG Group A/S.	**Executive Board:** Buldus ejendomme ApS, Investeringsselskabet af 27/12 1985 ApS, CataCap OP ApS, CataCap Management A/S, CataCap DM ApS, CataCap DM II ApS, CC II Management Invest 2017 GP ApS, CATACAP GENERAL PARTNER I ApS, TPA Green ManCo ApS, CC Fly Invest ApS, Rekom ManCo ApS, CC Globe Invest Aps, Globe ManCo ApS, Luxplus MIIP ApS, CataCap III General Partner ApS. **Deputy chairman:** Atlantic HoldCo Limited, Atlantic OfferCo Limited, Aerfin Holdings Limited, Aerfin Limited, TPA Holding I A/S, TPA Holding II A/S, TP Aerospace Holding A/S, G.S.V. Holding A/S, G.S.V. Materieludlejning A/S. **Member of the Board Directors:** Kjærulff Pedersen A/S, CataCap General Partner II ApS, CC Green Wall Invest ApS, RYTTERGAARD INVEST A/S, CC TOOL INVEST ApS, CC SKY Invest ApS, CC TRACK INVEST ApS.	**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, CataCap III General Partner ApS, CataCap Management A/S , TPA Green ManCo ApS, CC Fly Invest ApS, Rekom ManCo ApS, CC TRACK INVEST ApS, CC Globe Invest ApS, Globe ManCo ApS, Luxplus MIIP ApS, CC Toaster Invest ApS. **Chairman:** CC Green Wall Invest ApS, Luxplus CEE A/S, Luxplus WE ApS, EchoEcho ApS. **Deputy chairman:** Atlantic HoldCo Limited, Atlantic OfferCo Limited, CC Fly Holding I ApS, CC Fly Holding II A/S, Rekom Group A/S, CC Mist NEW Holding II ApS, CC Toaster Holding II ApS, CC Toaster Holding I ApS, LUXPLUS ApS. **Member of the Board of Directors:** Airhelp Limited, CataCap General Partner II ApS, Lyngsoe Systems Holding A/S, Lyngsoe Systems A/S, CC Tool Invest ApS, G.S.V. Holding A/S, G.S.V. Materieludlejning A/S, TPA Holding I A/S, TPA Holding II A/S, TP Aerospace Holding A/S, Aerfin Holdings Limited, Aerfin Limited.

	JENS NYHUS **Board member**	**DAN O. VORSHOLT** **Board member**
Year of birth	1965	1973
Joined the board	2015	2015
Directorships	**Executive Board:** Full list see page 40. **Member of the Board of Directors:** Full list see page 40. **SEE LIST**	**Executive Board:** DOV Holding ApS, DHS Invest ApS, DHS Odense ApS, DHS Ejendomme ApS, CN Apartment SL. **Executive Board and member of the Board of Directors:** G.S.V. Holding A/S, G.S.V. Materieludlejning A/S. **Chairman**; DOV Holding ApS, DHS Invest ApS.

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

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 14.1 P/S, Carlsberg Byen BA 16.3 P/S, Komplementar Carlsberg Byen Ejendomssalg ApS, Komplementar Carlsberg Byen Ejendomsdrlft ApS, Carlsberg Byen Ejendomssalg P/S, Carlsberg Byen Ejendomsdrlft 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 6-Vest ApS, Komplementar Carlsberg Byen BA 7 ApS, Komplementar Carlsberg Byen BA 9 ApS, Komplementar Carlsberg Byen BA 10.1 ApS, Komplementar Carlsberg Byen BA 10.3 ApS, Komplementar Carlsberg Byen BA 14.1 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 10.1 P/S, Carlsberg Byen BA 10.3 Tårn P/S, Komplementar Carlsberg Byen BA 10.3 Tårn 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 P/S, Komplementar Carlsberg Byen BA 7 Bolig ApS, Carlsberg Byen BA 15 Bolig P/S, Komplementar Carlsberg Byen BA 15 Bolig ApS, Carlsberg Byen BA 15 Tårn P/S, Komplementar Carlsberg Byen BA 15 Tårn ApS, Carlsberg Byen Ejendomme Tårn Udlejning P/S, Komplementar Carlsberg Byen Ejendomme Tårn Udlejning ApS, Carlsberg Byen Ejendomme Tårn Salg P/S, Komplementar Carlsberg Byen Ejendomme Tårn Salg ApS, Carlsberg Byen I Projektudvikling P/S, Komplementar Carlsberg Byen I Projektudvikling ApS.

Member of the Board of Directors: DSB Ejendomsudvikling A/S, 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 14.1 P/S, Carlsberg Byen BA 16.3 P/S, Komplementar Carlsberg Byen Ejendomssalg ApS, Komplementar Carlsberg Byen Ejendomsdrlft ApS, Carlsberg Byen Ejendomssalg P/S, Carlsberg Byen Ejendomsdrlft 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 6-Vest ApS, Komplementar Carlsberg Byen BA 7 ApS, Komplementar Carlsberg Byen BA 9 ApS, Komplementar Carlsberg Byen BA 10.3 ApS, Komplementar Carlsberg Byen BA 14.1 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 10.1 P/S, Carlsberg Byen BA 10.3 Tårn P/S, Komplementar Carlsberg Byen BA 10.1 ApS, Komplementar Carlsberg Byen BA 10.3 Tårn 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 P/S, Komplementar Carlsberg Byen BA 7 Bolig ApS, Carlsberg Byen BA 15 Bolig P/S, Komplementar Carlsberg Byen BA 15 Bolig ApS, Carlsberg Byen BA 15 Tårn P/S, Komplementar Carlsberg Byen BA 15 Tårn ApS, Carlsberg Byen Ejendomme Tårn Udlejning P/S, Komplementar Carlsberg Byen Ejendomme Tårn Udlejning ApS, Carlsberg Byen Ejendomme Tårn Salg P/S, Komplementar Carlsberg Byen Ejendomme Tårn Salg ApS, Carlsberg Byen I Projektudvikling P/S, Komplementar Carlsberg Byen I Projektudvikling ApS.

GO BACK

Executive Board

	DAN O. VORSHOLT CEO	FRANK OLESEN COO	JESPER BRAMMING CFO
Year of birth	1973	1961	1960
Joined the employment	1996	2017	2019
Directorships	**Executive board:** DOV Holding Aps, DHS Invest ApS, DHS Odense ApS, DHS Ejendomme ApS, CN Apartment SL. **Executive board and member of the board of directors:** G.S.V. Holding A/S, G.S.V. Materieludlejning A/S. **Chairman:** DOV Holding ApS, DHS Invest ApS.	**Executive board:** FSFPOS2014, G.S.V. Materieludlejning A/S., G.S.V. Holding A/S. **Chairman:** Keolis Danmark A/S, FSFPOS2014. **Member of the board of directors:** Norlys Tele [Norlys Tele Service A/S, SE Fibernet A/S].	**Executive board:** G.S.V. Materieludlejning A/S, G.S.V. Holding A/S. **Chairman:** Jesper Bramming Holding ApS.

Number of shares held by the Executive Board: A-shares: 253,991 and B-shares: 39,520

Statement by Management

The Board of Directors and the Executive Board have today discussed and approved the annual report of G.S.V. Holding A/S for the financial year 1 January – 31 December 2021.

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 on 31 December 2021 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 2021.

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, 22 February 2022

EXECUTIVE BOARD

Dan O. Vorsholt

Frank Olesen

Jesper Bramming

BOARD OF DIRECTORS

Carsten Nygaard Knudsen
Chairman

Peter Ryttergaard
Deputy chairman

Vilhelm Eigil Hahn Petersen

Jens Nyhus

Dan O. 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 2021 and of the results of the Group's and Parent Company's operations and cash flows for the financial year 1 January – 31 December 2021 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 parent company financial statements for the financial year 1 January – 31 December 2021 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 consolidated financial statements and parent company financial statements
Management is responsible for the preparation of the consolidated financial statements and parent company 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 consolidated financial statements and parent company financial statements, Management is responsible for assessing the Group's and the Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting 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 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 based on 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 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, 22 February 2022

KPMG
Statsautoriseret Revisionspartnerselskab
CVR no. 25 57 81 98

Lau Bent Baun
State Authorised
Public Accountant
mne26708

Klaus Rytz
State Authorised
Public Accountant
mne33205

Consolidated financial statements

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Consolidated statement of comprehensive income

DKK'000	Note	2021	2020
Revenue	3	**978,164**	**897,073**
Direct costs	4	-361,626	-330,247
Other operating income		32,268	38,240
Other external costs	5	-65,674	-63,993
Gross profit/loss		**583,132**	**541,073**
Staff costs	6	-284,635	-272,732
Profit/loss before interest, taxes, depreciation, amortisation and special items (EBITDA before special items)		**298,497**	**268,341**
Depreciation, amortisation and impairment losses	7	-161,531	-164,319
Special items	8	-10,914	-9,169
Operating profit (EBIT)		**126,052**	**94,853**
Finance income		61	86
Finance costs	9	-16,649	-17,809
Profit/loss before tax		**109,464**	**77,130**
Tax on profit/loss for the year	10	-27,426	-19,171
Profit/loss for the year/total comprehensive income		**82,038**	**57,959**
Profit/loss for the year/total comprehensive income is attributable to:			
Shareholders in G.S.V. Holding A/S		82,038	57,959
Profit/loss for the year/total comprehensive income		**82,038**	**57,959**

Consolidated balance sheet

DKK'000	Note	2021	2020
ASSETS			
Non-current assets			
Intangible assets	11	226,857	223,897
Property, plant and equipment	12,17	1,422,340	1,205,015
Deposits	13	6,629	6,858
Receivables from Parent Company		74	27
Total non-current assets		**1,655,900**	**1,435,797**
Current assets			
Finished goods for resale and spare parts		19,391	15,586
Trade receivables	14	208,576	160,174
Current tax receivables		34,150	0
Other receivables		2,143	3,365
Prepaid costs	14	10,002	4,241
Cash and cash equivalents		96,542	86,125
Total current assets		**370,804**	**269,491**
Assets held for sale		**0**	**5,135**
Total assets		**2,026,704**	**1,710,423**

DKK'000	Note	2021	2020
EQUITY AND LIABILITIES			
Equity			
Share capital	15	5,021	5,021
Share premium		50,277	50,277
Retained earnings		720,457	638,419
Total equity		**775,755**	**693,717**
Liabilities			
Non-current liabilities			
Deferred tax	16	112,401	103,920
Lease liabilities	23	728,975	572,715
Other payables		24,301	24,927
Total non-current liabilities		**865,677**	**701,562**
Current liabilities			
Lease liabilities	23	202,922	185,429
Trade payables	23	104,880	62,601
Current tax payable		0	10,445
Other payables		77,470	56,669
Total current liabilities		**385,272**	**315,144**
Total liabilities		**1,250,949**	**1,016,706**
Total equity and liabilities		**2,026,704**	**1,710,423**

Consolidated statement of changes in equity

DKK'000	Share capital	Retained earnings	Share premium	Total equity
Equity at 1 January 2021	**5,021**	**638,419**	**50,277**	**693,717**
Total comprehensive income for 2021				
Profit/loss for the year/other comprehensive income	0	82,038	0	82,038
Total comprehensive income for the year	**0**	**82,038**	**0**	**82,038**
Transactions with owners				
Sale/purchase of treasury shares	0	0	0	0
Total transactions with owners	**0**	**0**	**0**	**0**
Equity at 31 December 2021	**5,021**	**720,457**	**50,277**	**775,755**

DKK'000	Share capital	Retained earnings	Share premium	Total equity
Equity at 1 January 2020	**5,021**	**584,114**	**50,277**	**639,412**
Total comprehensive income for 2020				
Profit/loss for the year/other comprehensive income	0	57,959	0	57,959
Total comprehensive income for the year	**0**	**57,959**	**0**	**57,959**
Transactions with owners				
Sale/purchase of treasury shares	0	-3,654	0	-3,654
Total transactions with owners	**0**	**-3,654**	**0**	**-3,654**
Equity at 31 December 2020	**5,021**	**638,419**	**50,277**	**693,717**

Consolidated cash flow statement

DKK'000	Note	2021	2020
Profit/loss for the year		82,038	57,959
Depreciation, amortisation and impairment losses		161,531	164,319
Other adjustments of non-cash operating items	19	59,664	11,849
Cash flow from operations before changes in working capital		**303,233**	**234,127**
Changes in working capital	20	-38,031	-44,799
Cash flow from operations		**265,202**	**189,328**
Interest income received		61	86
Interest expense paid		-16,649	-17,809
Income taxes paid		-63,530	-66,180
Cash flow from operating activities		**185,084**	**105,425**
Purchase of intangible assets	11	-8,637	-11,187
Purchase of property, plant and equipment	12,21	-35,132	-66,917
Proceeds from sale of property, plant and equipment	12	104,271	133,614
Cash flow from investing activities		**60,502**	**55,510**

DKK'000	Note	2021	2020
Other financing debt	22	-626	24,927
Payment of lease liabilities	22	-172,825	-173,576
Termination of lease contents and contents to labilities	22	-61,671	-32,668
Proceeds of receivables from Parent Company		-47	123
Sale/purchase of treasury shares		0	-3,654
Cash flow from financing activities		**-235,169**	**-184,848**
Cash flow for the year		**10,417**	**-23,913**
Cash and cash equivalents at beginning of year		86,125	110,038
Cash and cash equivalents at year end		**96,542**	**86,125**
Unutilised credit facilities at year end		**100,650**	**161,860**

Notes to the consolidated financial statement

1 ACCOUNTING POLICIES

General
G.S.V. Holding A/S is a public limited company incorporated in Denmark. The annual report for 2021 includes both the consolidated financial statements of G.S.V. Holding A/S and its subsidiary (GSV) and separate financial statements of the parent company. Reference is made to page 71 for the parent's specific accounting policies.

The consolidated financial statements for the period 1 January to 31 December 2021 have been prepared in accordance with the International Financial Reporting Standards as adopted by the EU and additional Danish disclosure requirements in the Danish Financial Statements Act for 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 consolidated financial statements are prepared on a going concern basis and in accordance with the historical cost convention, except where IFRS explicitly requires use of other values. Otherwise, the accounting policies are as described below.

GSV has implemented all relevant new or revised International financial Reporting Standards and IFRIC Interpretations with effective date 1 January 2021 or earlier. The accounting policies applied are unchanged from those applied in the Annual Report 2020.

Effective from 1 january 2021 GSV has reassessed the useful lives on specific categories of rental eqipment and in the process changes the useful lives for the specific categories. Generally this has increased the estimated useful lives for assets grouped as rental equipment. The reassessment have reduced depriciations in 2021 with APP. DKK 9.8 million, of useful lives.

Basis of consolidation
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, balances, dividends and realised and unrealised gains and losses on intra-group transactions are eliminated.

Reclassification of comparative figures
Minor reclassifications have been made in individual items in the consolidated statement of comprehensive income, balance sheet and cash flow statement. This has not affected the result and equity of this year or last year and has been made solely to ensure the comparability of the individual items in the consolidated financial statements.

Foreign currency translation
All entities in GSV uses DKK as functional currency.

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 consists 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.

Notes to the consolidated financial statement

1 ACCOUNTING POLICIES, CONTINUED

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 include costs relating to operating and maintaining equipment and property as well as sales and administrative expenses.

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 including COVID-19 salary compensation 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 GSV's ordinary operations or investments in future activities.

Special items comprise:
- Restructuring and transaction costs, impairment costs, etc. relating to fundamental structural, procedural and managerial reorganisations as well as any related gains or losses on disposals
- Restructuring and transaction 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 including the interest element of finance lease payments, 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, adjustments to prior years and changes in deferred tax, including changes in tax rates. Tax is recognised in t income statement except for tax related to items recognised in other comprehensive income or directly to 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.

BALANCE SHEET

Intangible assets
Goodwill
Goodwill from business combinations is measured at cost less impairment losses. Goodwill is not amortised. Goodwill is 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 alias total G.S.V. Materieludlejning A/S.

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

Notes to the consolidated financial statement

1 ACCOUNTING POLICIES, CONTINUED

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

Tangible assets
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 initial estimate of the costs of dismantling and 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	5-20 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 for certain remeasurements of the lease liability.

GSV do not 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 and subsequently measured at amortised cost.

Impairment of non-current assets
Goodwill
Goodwill is tested for impairment at least annually, initially before the end of the year of acquisition.

The carrying amount of goodwill is allocated to GSV´s cash-generating unit at the acquisition date. Management assesses that the smallest cash-generating units to which the carrying amount of goodwill can be allocated is GSV Materieludlejning A/S. Goodwill is tested for impairment together with other non-current assets and written down to the recoverable amount in the income statement if the carrying amount is higher.

Notes to the consolidated financial statement

1 ACCOUNTING POLICIES, CONTINUED

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 directly in profit for the year and are not subsequently 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.

Assets held for sale
Assets classified as held for sale comprise assets for which it is highly probable that the value will be recovered through a sale within 12 month rather than through continued use.

Assets classified as held for sale are measured at the lower of the carrying amount and the fair value less cost to sell at the classification date as held for sale. Assets held for sale are not depreciated. Impairment losses arising on the first classification as "held for sale" and gains and losses from the subsequent measurement is recognised in the income statement under the items they concern.

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.

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.

Notes to the consolidated financial statement

1 ACCOUNTING POLICIES, CONTINUED

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 Group, 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
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 and initially measured using the index or rate as at the commencement date
- Amounts expected to be payable under a residual value guarantee
- 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
- 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.

CASH FLOW STATEMENT
The cash flow statement is presented using the indirect method based on profit/loss for the year. The statement of cash flow shows the cash flow from operating activities, investing activities and financing activities for the year, and the years changes in cash and cash equivalents 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. Cash flows relating to assets held under leases are recognised as payment of interest and repayment of debt. Non-cash transactions are disclosed in the notes.

Notes to the consolidated financial statement

1 ACCOUNTING POLICIES, CONTINUED

The impact on liquidity from 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 flow 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 comprise payments in connection with acquisitions and disposals of entities and activities, intangible assets, property, plant and equipment and other non-current assets.

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 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.

1 ACCOUNTING POLICIES, CONTINUED

Financial ratios
Financial ratios are described below and in the section "Non-IFRS financial measures".

Gross margin	Gross profit x 100 / Revenue
EBITDA before special items margin*	EBITDA before special items x 100 / Revenue
EBIT margin before special items*	(EBIT – Special items) x 100 / Revenue
EBIT margin	EBIT x 100 / Revenue
Return on invested capital	EBIT x 100 / Average invested capital
Invested capital	Operational intangible assets and property, plant and equipment as well as net working capital
Current ratio	Current assets x 100 / Short-term debt
Return on equity	Profit/loss for the year 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 in 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 statement

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 Group 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.e. 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.e. 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 sensitivity analysis 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 Group's property leases allow for extension at the discretion of the Group. 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 Group's strategic goals and current plans. The matter is described in further detail in note 17.

Significant accounting judgements in applying the accounting policies
In the process of applying the Group'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.

Special items imply management judgement in the separation from other items in the income statement to ensure correct distinction from operating activity.

Notes to the consolidated financial statement

3 REVENUE

DKK'000	2021	2020
Rental revenue	720,298	648,719
Services and sale of new equipment	257,866	248,354
	978,164	**897,073**

4 DIRECT COSTS

DKK'000	2021	2020
Rental cost	117,233	95,468
Fleet preparation cost	6,215	10,810
Transport cost	76,405	76,081
Cost of goods consumed	63,348	60,619
Write-down of inventories	2,633	2,665
Other service cost	95,792	84,604
	361,626	**330,247**

5 FEES TO AUDITOR APPOINTED AT THE GENERAL MEETING

DKK'000	2021	2020
Statutory audit fees	747	730
Tax advisory services	22	24
Other services	3,417	64
Total fees to KPMG	**4,186**	**818**

6 STAFF COSTS

DKK'000	2021	2020
Payroll costs	240,675	226,687
Defined-contribution pension plans	20,821	20,355
Other social security costs	4,662	4,139
Other staff costs	18,477	21,551
	284,635	**272,732**
Average number of full-time employees	**470**	**480**

Notes to the consolidated financial statement

6 STAFF COSTS, CONTINUED

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

DKK '000	Board of Directors	Executive Board	Total
2021			
Salaries and fees	750	8,783	9,533
Pensions	0	261	261
	750	**9,044**	**9,794**
2020			
Salaries and fees	800	7,311	8,111
Pensions	0	255	255
	800	**7,566**	**8,366**

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

In 2021 the Group received DKK 0.2 million (2020 DKK 0.8 million) from COVID-19 help packages.

In 2021 capitalized salary costs with DKK 0.4 million (2020 DKK 1.5 million) as software projects.

7 DEPRECIATION, AMORTISATION AND IMPAIRMENT LOSSES

DKK'000	2021	2020
Intangible assets		
Amortisation	5,677	3,494
Tangible assets		
Depreciations	155,854	160,825
	161,531	**164,319**

8 SPECIAL ITEMS

DKK'000	2021	2020
Restructuring and transactions costs	9,138	5,831
Loss from dispossal of business unit including adjustment to prior year	1,776	3,338
	10,914	**9,169**

Notes to the consolidated financial statement

9 FINANCE COSTS

DKK'000	2021	2020
Interest element, discounted lease obligations	13,355	14,552
Credit institutions	2,557	3,220
Other	737	37
	16,649	**17,809**
Total interest cost related to financial liabilities measured at amortised cost	**16,649**	**17,809**

10 TAX ON PROFIT/LOSS FOR THE YEAR

DKK'000	2021	2020
Tax for the year can be divided as follows:		
Tax on profit/loss for the year	21,470	52,614
Deferred tax adjustment for the year	4,638	-35,646
Adjustment of tax relating to previous years	1,318	853
Adjustment of deferred tax relating to previous years	0	1,350
	27,426	**19,171**
Tax for the year can be accounted for as follows:		
Estimated 22% tax on profit before tax	24,082	16,968
Other costs not deductible and non-taxable income	2,026	0
Adjustment relating to previous years	1,318	2,203
	27,426	**19,171**
Effective tax rate	**25%**	**25%**

11 INTANGIBLE ASSETS

DKK'000	Software	Goodwill	Total
Cost at 1 January 2021	34,059	202,006	236,065
Additions	8,637	0	8,637
Cost at 31 December 2021	42,696	202,006	244,702
Amortisation and impairment losses at 1 January 2021	-12,168	0	-12,168
Amortisation	-5,677	0	-5,677
Amortisation and impairment losses at 31 December 2021	-17,845	0	-17,845
Carrying amount at 31 December 2021	**24,851**	**202,006**	**226,857**

Carrying amount from internally developed software at 31 December is DKK 24.9 million.

DKK'000	Software	Goodwill	Total
Cost at 1 January 2020	22,897	202,006	224,903
Additions	11,187	0	11,187
Disposals	-25	0	-25
Cost at 31 December 2020	34,059	202,006	236,065
Amortisation and impairment losses at 1 January 2020	-8,699	0	-8,699
Amortisation	-3,494	0	-3,494
Disposal of amortisation	25	0	25
Amortisation and impairment losses at 31 December 2020	-12,168	0	-12,168
Carrying amount at 31 December 2020	**21,891**	**202,006**	**223,897**

Carrying amount from internally developed software at 31 December is DKK 21.9 million.

Notes to the consolidated financial statement

11 INTANGIBLE ASSETS, CONTINUED

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 key assumptions are discount factors, revenue growth and EBIT margin.

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 2022 are used. After 2022 a 2 year forecast period is used.

The growth rate used in the budget and forecast period is 3.1% and is based on industry forecasts and is in line with past experience. For purpose of the impairment test, 0% growth has been assumed in the terminal period.

EBIT margin used in budget and forecast period is 15% compared to 14% realized in 2021 (EBIT before special items).

The impairment test does not lead to impairment.

11 INTANGIBLE ASSETS, CONTINUED

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

	Revenue growth p.a.	EBIT margin	Pre-tax discount rate
2021	3.1%	15%	7.1%
2020	6.8%	14-17%	7.2%

Notes to the consolidated financial statement

12 PROPERTY, PLANT AND EQUIPMENT

DKK'000	Rental equipment	Fixtures and fittings, tools and equipment	Leasehold improve-ments	Total
Cost at 1 January 2021	1,878,609	339,746	29,699	2,248,054
Adjustment prior year	0	0	-499	-499
Additions	250,961	192,420	0	443,381
Disposals	-163,035	-67,553	-134	-230,722
Cost at 31 December 2021	1,966,535	464,613	29,066	2,460,214
Depreciation and impairment losses at 1 January 2021	-857,333	-166,756	-18,950	-1,043,039
Depreciation	-113,265	-40,691	-1,898	-155,854
Depreciation on disposals	114,123	46,876	20	161,019
Depreciation and impairment losses at 31 December 2021	-856,475	-160,571	-20,828	-1,037,874
Carrying amount at 31 December 2021	**1,110,060**	**304,042**	**8,238**	**1,422,340**
Portion related to assets held under leases	**491,213**	**298,937**	**0**	**790,150**

The Group has entered into contracts for delivery of rental equipment in 2022 for a total of DKK 267 million (2021: DKK 32 million).

Included in additions to leasehold improvement in 2021 is refurbishments in progress with DKK 0 million (2020: DKK 3 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 2020	1,950,673	261,990	39,424	2,252,087
Additions	217,163	84,888	3,539	305,590
Disposals	-289,227	-7,132	-13,264	-309,623
Cost at 31 December 2020	1,878,609	339,746	29,699	2,248,054
Depreciation and impairment losses at 1 January 2020	-938,967	-133,995	-21,002	-1,093,964
Depreciation	-119,744	-39,467	-1,614	-160,825
Depreciation on disposals	201,378	6,706	3,666	211,750
Depreciation and impairment losses at 31 December 2020	-857,333	-166,756	-18,950	-1,043,039
Carrying amount at 31 December 2020	**1,021,276**	**172,990**	**10,749**	**1,205,015**
Portion related to assets held under leases	**499,537**	**169,746**	**0**	**669,283**

13 DEPOSITS

DKK'000	2021	2020
Cost at 1 January	6,858	7,545
Additions	480	95
Disposals	-709	-782
Cost at 31 December	6,629	6,858
Carrying amount at 31 December	**6,629**	**6,858**

Notes to the consolidated financial statement

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. If 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.

In 2021 actual loss on bad debt was DKK 6 million and bad debt provision was DKK 2 million (2020: DKK 13 million and DKK -6 million). In proportion to revenue the amount was 0.8% (2020: 0.7%).

Prepayments form part of the assessment of required provision for bad debt. 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 2021 DKK 39 million was received in connection with this agreement (2020: DKK 43 million). 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.

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

DKK'000	2021	2020
Maturity		
Current	133,784	96,369
Up to 30 days	64,693	51,490
Between 30 and 90 days	5,152	6,831
More than 90 days	4,947	5,484
	208,576	**160,174**

14 TRADE RECEIVABLES, CONTINUED

Expected loss on trade receivables can be specified as follows:

DKK'000	Loss procent	Receivables	Expected loss	Total
Maturity 2021				
Current	1%	134,564	-780	133,784
Up to 30 days	2%	66,108	-1,415	64,693
Between 30 and 90 days	33%	7,736	-2,584	5,152
More than 90 days	68%	15,536	-10,589	4,947
	7%	**223,944**	**-15,368**	**208,576**
Maturity 2020				
Current	1%	96,997	-628	96,369
Up to 30 days	0%	51,711	-221	51,490
Between 30 and 90 days	9%	7,478	-647	6,831
More than 90 days	69%	17,608	-12,124	5,484
	8%	**173,794**	**-13,620**	**160,174**

The Group does not have a past record of major bad debts seen in proportion to industry standards, but the Group has increased the expected credit loss percentage due to the COVID-19 situation.

Prepaid costs

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

Notes to the consolidated financial statement

15 EQUITY

Share capital

	Number of shares		Nominal value	
DKK'000	**A-shares**	**B-shares**	**A-shares**	**B-shares**
1 January 2020	4,845	176	4,845	176
31 December 2020	**4,845**	**176**	**4,845**	**176**
31 December 2021	**4,845**	**176**	**4,845**	**176**

Treasury shares

	Number of shares		Nominal value (DKK'000)		% of share capital	
DKK'000	**2021**	**2020**	**2021**	**2020**	**2021**	**2020**
A-shares						
1 January	10,826	789	11	1	0%	0%
Additions	0	11,533	0	12	0%	0%
Sold	0	-1,496	0	-2	0%	0%
31 December	**10,826**	**10,826**	**11**	**11**	**0%**	**0%**
B-shares						
1 January	30,492	396	30	0	0%	0%
Additions	0	30,096	0	30	0%	0%
Sold	0	0	0	0	0%	0%
31 December	**30,492**	**30,492**	**30**	**30**	**0%**	**0%**

All treasury shares are owned by the Parent Company.

A-shares are preference shares holding rights to repayment of invested capital plus 5% accrued return before B-shares receives pro rata share of possible additional returns.

All shares are fully paid.

16 DEFERRED TAX

DKK'000	**2021**	**2020**
Deferred tax at 1 January	103,920	138,216
Adjustment related to previous years	3,843	1,350
Deferred tax for the year recognised in profit/loss for the year	4,638	-35,646
Deferred tax at 31 December	**112,401**	**103,920**
Deferred tax is recognised in the balance sheet as follows:		
Deferred tax (liability)	112,401	103,920
Deferred tax at 31 December, net	**112,401**	**103,920**
Deferred tax relates to:		
Intangible assets	6,701	4,816
Property, plant and equipment	311,289	265,896
Leases	-205,017	-166,792
Finished goods for resale and spare parts	-572	0
	112,401	**103,920**

Notes to the consolidated financial statement

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 3 and 6 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 capitalised in the balance comprise leased assets.

DKK'000	Rental equipment	Fixtures and fittings, tools and equipment	Total
Carrying amount at 1 January 2021	499,537	169,746	669,283
Additions, net	-22,252	131,541	109,289
Amortisation	13,928	-2,350	11,578
Carrying amount at 31 December 2021	**491,213**	**298,937**	**790,150**
Carrying amount at 1 January 2020	441,481	123,818	565,299
Additions, net	59,110	83,774	142,884
Amortisation	-1,054	-37,846	-38,900
Carrying amount at 31 December 2020	**499,537**	**169,746**	**669,283**

DKK'000	2021	2021
Expense relating to leases of low-value assets recognised in profit for the year	0	0
Income from subleasing right-of-use assets	251,285	224,638

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	2021	2020
<1 year	0	0
1-2 years	0	0
2-3 years	0	0
3-4 years	0	0
4-5 years	0	0
Total undiscounted lease payments	**0**	**0**

18 MORTGAGES AND COLLATERAL

Security has been given with a net carrying amount of DKK 140 million (2020: DKK 140 million) for the Group's bank facility at Jyske Bank.

Notes to the consolidated financial statement

19 OTHER ADJUSTMENTS

DKK'000	2021	2020
Other finance income	-61	-86
Finance costs	16,649	17,809
Incomes taxes	63,530	66,180
Gain on sale of PP&E	-28,935	-35,740
Provisions	8,481	-36,314
	59,664	**11,849**

20 CHANGES TO THE WORKING CAPITAL

DKK'000	2021	2020
Changes in inventory	-3,805	-481
Changes in trade receivables and other receivables	-86,860	7,222
Changes in trade payables and other payables	52,634	-51,540
	-38,031	**-44,799**

21 NON-CASH TRANSACTIONS

DKK'000	2021	2020
Acquisition of property, plant and equipment (see note 12)	443,381	305,590
Acquisition of assets held for sale	0	5,135
Portion relating to leased assets	-408,249	-243,808
Paid regarding acquisition of property, plant and equipment	**35,132**	**66,917**
Additions of financial liabilities	408,249	243,808
Portion relating to lease obligations	-408,249	-243,808
Cash proceeds from the raising of financial liabilities	**0**	**0**

Notes to the consolidated financial statement

22 LIABILITIES FROM FINANCING ACTIVITIES

DKK'000	01/ jan 2021	Debt payments	New debt	Debt repay-ments	31/dec 2021
Leasing liabilities	758,144	-172,825	408,249	-61,671	931,897
Other payables	24,927	-626	0	0	24,301
Liabilities from financing activities	**783,071**	**-173,451**	**408,249**	**-61,671**	**956,198**

DKK'000	01/ jan 2020	Debt payments	New debt	Debt repay-ments	31/dec 2020
Leasing liabilities	720,580	-173,576	243,808	-32,668	758,144
Other payables	0	24,927	0	0	24,927
Liabilities from financing activities	**720,580**	**-148,649**	**243,808**	**-32,668**	**783,071**

23 FINANCIAL RISKS AND FINANCIAL INSTRUMENTS

The Group is only 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 material 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. 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.

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% point p.a. relative to the interest rate level of the Group's floating-rate liabilities for a full year at the balance sheet date will have a negative impact on results for the year of DKK 9.3 million (2020: 7.6 million). A decrease in interest rate level of 1% point will have a corresponding positive impact on results for the year and equity.

Notes to the consolidated financial statement

23 FINANCIAL RISKS AND FINANCIAL INSTRUMENTS, CONTINUED

The Group does not make use of hedging and is not exposed to changes in exchange rates as the Group does not engage in material 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 growth. The Group is supported by equity with a solvency ratio above 38% at group level, 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 including IFRS 16 debt was DKK 859 million (2020: DKK 697 million), which is deemed appropriate in relation to the balance sheet total (capital structure).

The Group's risk exposure and risk management for 2021 was unchanged compared to that for 2020.

23 FINANCIAL RISKS AND FINANCIAL INSTRUMENTS, CONTINUED

Lease liabilities:

DKK'000	Average nominal interest rate	Average effective interest rate	Interest period	Carrying amount
Variable interest-bearing lease liabilities (note 17)	1.20%	2.0%	1 month	931,897
Lease liabilities for 2021 in total				**931,897**
Variable interest-bearing lease liabilities (note 17)	1.75%	2.0%	1 month	758,144
Lease liabilities for 2020 in total				**758,144**

Notes to the consolidated financial statement

23 FINANCIAL RISKS AND FINANCIAL INSTRUMENTS, CONTINUED

DKK'000	Contractual cash flows	Within 1 year	1 to 5 years	After 5 years
2021				
Non-derivative financial instruments				
Lease liabilities	973,631	214,906	529,377	229,348
Trade payables	104,880	104,880	0	0
31 December	**1,078,511**	**319,786**	**529,377**	**229,348**
2020				
Non-derivative financial instruments				
Lease liabilities	791,374	197,436	516,927	77,011
Trade payables	62,601	62,601	0	0
31 December	**853,975**	**260,037**	**516,927**	**77,011**

Contractual cash flows are undiscounted contractual cash flow including interests.

24 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 974 million (2020: DKK 791 million).

DKK'000	2021	2020
Loans and receivables		
Trade receivables	208,576	160,174
Other receivables	2,143	3,365
Receivables from Parent Company	74	27
Prepaid costs	10,002	4,241
Cash and cash equivalents	96,542	86,125
Total loans and receivables	**317,337**	**253,932**
Financial liabilities are measured at amortised cost		
Trade payables	104,880	62,601
Other payables	101,771	81,596
Total financial liabilities are measured at amortised cost	**206,651**	**144,197**

Notes to the consolidated financial statement

25 RELATED PARTIES

For information on transactions with related parties, please refer to note 15 in the parent financial statements.

26 EVENTS AFTER THE BALANCE SHEET DATE

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

27 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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Parent statement of comprehensive income

DKK'000	Note	2021	2020
Other external costs	3	-183	-527
Gross profit/loss		**-183**	**-527**
Staff costs	4	-9,794	-8,366
Profit/loss before interest, taxes, depreciation, amortisation and special items (EBITDA before special items)		**-9,977**	**-8,893**
Special items	5	-9,138	0
Operating profit (EBIT)		**-19,115**	**-8,893**
Finance costs	6	-995	-783
Profit/loss before tax		**-20,110**	**-9,676**
Tax on profit/loss for the year	7	2,593	2,135
Profit/loss for the year/total comprehensive income		**-17,517**	**-7,541**
Profit/loss for the year/total comprehensive income is attributable to:			
Shareholders in G.S.V. Holding A/S		-17,517	-7,541
Profit/loss for the year/total comprehensive income		**-17,517**	**-7,541**

Parent balance sheet

DKK'000	Note	2021	2020
ASSETS			
Non-current assets			
Equity interests in subsidiaries	8	375,062	375,062
Deferred tax	9	2,414	3,487
Receivables from Parent Company		74	27
Total non-current assets		**377,550**	**378,576**
Current assets			
Other receivables		0	1
Cash and cash equivalents		969	978
Total current assets		**969**	**979**
Total assets		**378,519**	**379,555**

DKK'000	Note	2021	2020
EQUITY AND LIABILITIES			
Equity			
Share capital		5,021	5,021
Share premium		50,277	50,277
Retained earnings		273,210	290,727
Total equity		**328,508**	**346,025**
Liabilities			
Non-current liabilities			
Loans from group companies	14	45,805	33,446
Total non-current liabilities		**45,805**	**33,446**
Current liabilities			
Other payables	14	4,206	84
Total current liabilities		**4,206**	**84**
Total liabilities		**50,011**	**33,530**
Total equity and liabilities		**378,519**	**379,555**

Parent statement of changes in equity

DKK'000	Share capital	Retained earnings	Share premium	Total equity
Equity at 1 January 2021	**5,021**	**290,727**	**50,277**	**346,025**
Total comprehensive income for 2021				
Profit/loss for the year/other comprehensive income	0	-17,517	0	-17,517
Total comprehensive income for the year	**0**	**-17,517**	**0**	**-17,517**
Transactions with owners				
Sale/purchase of treasury shares	0	0	0	0
Total transactions with owners	**0**	**0**	**0**	**0**
Equity at 31 December 2021	**5,021**	**273,210**	**50,277**	**328,508**

DKK'000	Share capital	Retained earnings	Share premium	Total equity
Equity at 1 January 2020	**5,021**	**301,922**	**50,277**	**357,220**
Total comprehensive income for 2020				
Profit/loss for the year/other comprehensive income	0	-7,541	0	-7,541
Total comprehensive income for the year	**0**	**-7,541**	**0**	**-7,541**
Transactions with owners				
Sale/purchase of treasury shares	0	-3,654	0	-3,654
Total transactions with owners	**0**	**-3,654**	**0**	**-3,654**
Equity at 31 December 2020	**5,021**	**290,727**	**50,277**	**346,025**

Parent cash flow statement

DKK'000	Note	2021	2020
Profit/loss for the year		-17,517	-7,541
Other adjustments of non-cash operating items	11	2,068	1,140
Cash flow from operations before changes in working capital		**-15,449**	**-6,401**
Changes in working capital	12	4,122	-278
Cash flow from operations		**-11,327**	**-6,679**
Interest expense paid		-995	-783
Cash flow from operating activities		**-12,322**	**-7,462**
Increase of receiable from Parent Company		-47	0
Change in other receiable		1	0
Proceeds of debt to Parent Company		0	123
Proceeds of debt to group companies		12,359	11,185
Sale/purchase of treasury shares		0	-3,654
Cash flow from financing activities		**12,313**	**7,654**
Cash flow for the year		**-9**	**192**
Cash and cash equivalents at beginning of year		978	786
Cash and cash equivalents at year end		**969**	**978**

Notes to the parent financial statements

1 ACCOUNTING POLICIES

As Parent company of the GSV 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 recognised as income in the Parent's income statement under financial income in the year in which the dividend is declared.

Equity interests in subsidiaries
Equity interests in subsidiaries are measured at cost. Cost includes the consideration at fair value plus direct acquisition costs. If there is any indications of impairment, an impairment test is performed as described in the accounting policies applying to the consolidated financial statements. If the costs exceeds the recoverable amount, the equity interests are written down to this lower value.

When other reserves than post-acquisition profits earned in subsidiaries are distributed, the distribution is deducted from the acquisition price as the distribution is considered a repayment of the original investment in the subsidiary.

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 judgements, 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 effect of any change are recognised in the relevant period.

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

Investments in subsidiaries
Management assessed annually whether there is an indication of impairment of investment 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 2021, and therefore investments in subsidiaries have not been tested for impairment.

Notes to the parent financial statements

3 FEES TO AUDITOR APPOINTED AT THE GENERAL MEETING

DKK'000	2021	2020
Statutory audit fees	92	90
Tax advisory services	8	41
Other services	3,390	95
Total fees to KPMG	**3,490**	**226**

4 STAFF COSTS

DKK'000	2021	2020
Payroll costs	9,533	8,111
Defined-contribution pension plans	261	255
	9,794	**8,366**
Average number of full-time employees	**3**	**3**

4 STAFF COSTS, CONTINUED

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

	Board of Directors	Executive Board	Total
2021			
Salaries and fees	750	8,783	9,533
Pensions	0	261	261
	750	**9,044**	**9,794**
2020			
Salaries and fees	800	7,311	8,111
Pensions	0	255	255
	800	**7,566**	**8,366**

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

Notes to the parent financial statements

5 SPECIAL ITEMS

DKK'000	2021	2020
Restructuring and transactions costs	9,138	0
	9,138	**0**

6 FINANCE COSTS

DKK'000	2021	2020
Finance costs to group companies	986	776
Other	9	7
	995	**783**
Total interest cost related to financial liabilities measured at amortised cost	**995**	**783**

7 TAX ON PROFIT/LOSS FOR THE YEAR

DKK'000	2021	2020
Tax for the year can be divided as follows:		
Deferred tax adjustment for the year	2,414	1,950
Adjustment of tax relating to previous years	179	185
	2,593	**2,135**
Tax for the year can be accounted for as follows:		
Estimated 22% tax on profit before tax	4,424	2,129
Other costs not deductible and non-taxable income	-2,010	0
Adjustment relating to previous years	179	6
	2,593	**2,135**
Effective tax rate	**13%**	**22%**

The significant change ind effective tax rate is due to not deductable and non-taxable income related to sale of business unit in 2021.

Notes to the parent financial statements

8 EQUITY INTERESTS IN SUBSIDIARIES

DKK'000	2021	2020
Cost at 1 January	375,062	375,062
Cost at 31 December	375,062	375,062
Carrying amount at 31 December	**375,062**	**375,062**

Name/legal form	Registered office	Equity interests	Equity	Profit/ loss for the year
2021				
G.S.V. Materieludlejning A/S	Hedehusene	100%	651,984	99,556
2020				
G.S.V. Materieludlejning A/S	Hedehusene	100%	552,428	65,498

9 DEFERRED TAX

DKK'000	2021	2020
Deferred tax at 1 January	-3,487	-3,844
Loss utilised	3,487	2,492
Adjustment related to previous years	0	-185
Deferred tax for the year recognised in profit/loss for the year	-2,414	-1,950
Deferred tax at 31 December	**-2,414**	**-3,487**
Deferred tax is recognised in the balance sheet as follows:		
Deferred tax (assets)	-2,414	-3,487
Deferred tax at 31 December, net	**-2,414**	**-3,844**
Deferred tax relates to:		
Losses	-2,414	-3,487
	-2,414	**-3,487**

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. 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.

Notes to the parent financial statements

11 OTHER ADJUSTMENTS

DKK'000	2021	2020
Finance costs	995	783
Provisions	1,073	357
	2,068	**1,140**

12 CHANGES TO THE WORKING CAPITAL

DKK'000	2021	2020
Changes in trade payables and other payables	4,122	-278
	4,122	**-278**

13 LIABILITIES FROM FINANCING ACTIVITIES

DKK'000	1 Jan 2021	Debt payments	New debt	Debt repay-ments	31 Dec 2021
Other payables	33,446	0	12,359	0	45,805
Liabilities from financing activities	**33,446**	**0**	**12,359**	**0**	**45,805**

DKK'000	1 Jan 2020	Debt payments	New debt	Debt repay-ments	31 Dec 2020
Other payables	22,261	0	11,185	0	33,446
Liabilities from financing activities	**22,261**	**0**	**11,185**	**0**	**33,446**

14 FINANCIAL INSTRUMENTS CATEGORIES

DKK'000	2021	2020
Loans and receivables		
Other receivables	0	1
Receivables from Parent Company	74	27
Cash and cash equivalents	969	978
Total loans and receivables	**1,043**	**1,006**
Financial liabilities are measured at amortised cost		
Loans from group companies	45,805	33,446
Other payables	4,206	84
Total financial liabilities are measured at amortised cost	**50,011**	**33,530**

Notes to the parent financial statements

15 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 G.S.V. Holding A/S 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 close family members. Further, related parties comprise companies in which above persons have substantial interests.

Transaction with related parties

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

G.S.V. Holding A/S has an intercompany account with the group companies and parent company used for minor transactions. The balance at year-end was DKK 74 thousand (2020: DKK 27 thousand). The account does not generate interests.

In 2021 the Group was charged rental and marketing cost DKK 0,7 million from entities controlled by key management personnel (2020 DKK 0.5 Million).

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16 EVENTS AFTER THE BALANCE SHEET DATE

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

17 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.

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PEOPLE FIRST