

**Green Team Holding A/S
Central Business Registration No
29150257**

Annual report 2014/15

The Annual General Meeting adopted the annual report on 30.09.2015

Chairman of the General Meeting

Name: Christina Østbjerg

Contents

	<u>Page</u>
Entity details	1
Statement by Management on the annual report	2
Independent auditor's reports	3
Management commentary	5
Accounting policies	9
Income statement for 2014/15	14
Balance sheet at 30.06.2015	15
Statement of changes in equity for 2014/15	17
Notes	18

Entity details

Entity

Green Team Holding A/S
Simmelbrovej 44
7260 Sønder Omme

Central Business Registration No: 29150257

Registered in: Billund

Financial year: 01.07.2014 - 30.06.2015

Board of Directors

Steffen Kjeld Thomsen, chairman

Jan Gunnar Åkesson

Hans Rafn

Jes Bjerregaard

Peder Larsen Østbjerg

Søren Overgaard Laursen

Executive Board

Hans Lehrskov Schultz

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Egtved Allé 4

6000 Kolding

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of Green Team Holding A/S for the financial year 01.07.2014 - 30.06.2015.

The annual report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 30.06.2015 and of the results of its operations for the financial year 01.07.2014 - 30.06.2015.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Sønder Omme, 30.09.2015

Executive Board

Hans Lehrskov Schultz

Board of Directors

Steffen Kjeld Thomsen
chairman

Jan Gunnar Åkesson

Hans Rafn

Jes Bjerregaard

Peder Larsen Østbjerg

Søren Overgaard Laursen

Independent auditor's reports

To the owners of Green Team Holding A/S

Report on the financial statements

We have audited the financial statements of Green Team Holding A/S for the financial year 01.07.2014 - 30.06.2015, which comprise the accounting policies, income statement, balance sheet, statement of changes in equity and notes. The financial statements are prepared in accordance with the Danish Financial Statements Act.

Management's responsibility for the financial statements

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

Auditor's responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Our audit has not resulted in any qualification.

Opinion

In our opinion, the financial statements give a true and fair view of the Company's financial position at 30.06.2015 and of the results of its operations for the financial year 01.07.2014 - 30.06.2015 in accordance with the Danish Financial Statements Act.

Statement on the management commentary

Pursuant to the Danish Financial Statements Act, we have read the management commentary. We have not performed any further procedures in addition to the audit of the financial statements.

Independent auditor's reports

On this basis, it is our opinion that the information provided in the management commentary is consistent with the financial statements.

Kolding, 30.09.2015

Deloitte

Statsautoriseret Revisionspartnerselskab

Suzette Nielsen

State Authorised Public Accountant

Management commentary

Primary activities

Green Team Holding A/S (“the Company”) operates within production and sales of Christmas trees, greenery and decorations.

The Company is a market leader in Europe in Christmas tree production and in the sales of Christmas trees. The Company is also a leading seller of greenery and decorations.

Development in activities and finances

On 30 June 2014, a significant change in ownership and capital structure was completed. Adelis Equity Partners Fund I AB became the majority shareholder of Green Team Group A/S (“the Group”) while the previous shareholders continued as minority owners. Green Team Holding A/S is a 100 % owned company in Green Team Group A/S. This change has strengthened the Group and supporting the growth strategy.

In the financial year, the Group's activities expanded with the acquisition of the assets from the Belgian company Green Attitude SA. The expansion has contributed positively to the Group's results and strengthened the Group's market position in individual markets. Also, the takeover has strategically strengthened the Group.

The Group has sold properties and land in Scotland during the financial year, but the Group remains the owner of the Christmas trees that grow on those locations. Furthermore, the Group has acquired shares in an associated Danish production company, Skaftvedgård PAR0310 ApS, taking the Group's ownership from 51% to 100%.

The result before tax and minority interests for the financial year 2014/15 amounts to DKK 71.4 millions compared to DKK -33.7 millions for the same period last year. The operating profit amounts to DKK -5.2 millions compared to DKK -21.5 millions for the same period last year.

The Group's total assets amounts to DKK 784.2 millions.

The Group's equity at financial year-end was DKK 325.7 millions. In relation to total assets, this represents a solidity of 43.8%.

The management team considers the financial result satisfying. The result is in accordance with the defined business plans and budget.

The Group's bank has provided the necessary credit facilities to cover next year's liquidity needs according to the Group's long-term budget.

Management commentary

Uncertainty with inclusion and measuring

The Company's inventories of Christmas trees are accounted for at market value calculated using a return-based valuation model. This model provides estimates of the Christmas trees future returns. The return is estimated on the basis of the Company's experience with similar production, including expected yield rate, quality levels, height and future selling prices.

As the production cycle of Christmas trees constitute up to 10 years, there are inherently changes in the assumptions that cannot be predicted. Changes in the assumptions will have an effect on the valuation of inventories of Christmas trees. The assumptions currently in use are considered correct by the management, based on previous experience in the Christmas tree production process and on management's best estimates of future developments in the market. The majority of the Company's plantations in Europe has been assessed by an independent external assessor.

In total the Company owns 25m Christmas trees in Denmark, UK, Poland and France. The average value per tree was on 30 June 2015 DKK 30.

The future

In the coming years, a continued stable and controlled expansion of the Company's business volume will be pursued. Focus will be on the continued strengthening of our market position and sell commenced production for the coming years. Furthermore, the Company will take an active part in the industry consolidation, that is expected in the coming years.

The management expects a positive profit for next year.

In the coming years, we will seek to primarily cover the demand for Christmas trees through the Company's own production, complemented with purchase of trees from other producers. The production and assortment will be adapted to regional market needs.

Given the geographical distribution of the production, the Company has optimal diversification of production risk in terms of climate, weather conditions, vermin and disease, as well as operating costs. Also, the geographical dispersion of production ensures proximity to customers and optimized logistics.

Social responsibility and environmental concerns

The Company is committed to operate as a socially responsible company.

The Company produces and markets products with full documentation in terms of labour, environment and traceability - throughout the entire value chain.

Management commentary

The Company's plantations in Europe are all certified under GlobalGAP. The Company is currently the only Christmas tree producer and seller on the market that can offer Christmas trees with full documentation from seed to tree. In 2011, the Company joined the UN's Global Compact program, which is an international initiative with ten principles that focus on responsible business.

In the past year there has been focus on selected CSR areas and corporate responsibility is an essential value for the Group.

The market

The Company has a broad and detailed insight in supply, sales and consumer behaviour in the Christmas tree industry. The European consumption of Christmas trees has been relatively stable over the last couple of years and demand is expected to continue to be stable in the coming years. There are signs of intensified competition and price pressure; however this development is expected to be off-set by the increase in the tree quality the coming years. This means that in the next years, trees of lower quality from European producers will not be harvested and not come to the European market. We expect this to cause the prices to stabilize in 2016 at the 2015 price levels although at slightly better quality levels.

Christmas trees are today sold to consumers through many different channels. The Company's organization and production are able to take optimal advantage of this market situation.

The strategy

The Company's strategy remains unchanged. Main focus is to produce Nordmann trees, with full insight, control and with the optimization of the entire value chain. Production is characterized by economies of scale significant supply capacity and planned risk diversification due to the geographical distribution of production and sales.

The organization

This year, all of the Group's financial operations have been performed by the in-house financial department, and the Group has conducted significant initiatives in administrative areas. On order to ensure future growth in production and sales, we have strengthened the organization in these areas as well.

The Company has a number of foreign companies focused on either production or sales. The companies are independent legal entity but management and operation are all tightly integrated into the Group.

A new board of directors was elected in connection with Adelis Equity Partners' acquisition of a majority equity share in the business early in the financial year. The board is well composed and possesses expertise in relevant areas.

Management commentary

General risks

The Group's significant operating risk is linked to the production of goods as well as maintaining a strong position on the markets where the products are sold.

Financial risks

The Group is due to its operations, investments and financing exposed to changes in exchange and interest rates. It is the Group's policy not to actively speculate in financial risks. The Group's financial management is therefore only aimed at managing existing financial risks.

Currency risk

The Group conducts active management and monitoring of the Group's currency risks in order to minimize these. We are continuously making sure that assets in foreign currency are partially hedged by debt in the same currency, so that the net foreign currency position of the Group's capital is minimized. The Group does not speculate in currency positions.

Interest rate risk

It is the Group's policy to partially hedge interest rate risk on loans. There is a periodically follow up on this.

Credit risk

The Group's policy for assuming credit exposure, ensures that all major customers and other business partners are assessed on their credit on an on-going basis and the Group uses credit insurance to a significant extent.

Events after the balance sheet date

No events have occurred after the balance sheet date to this date which would influence the evaluation of this annual report.

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of certain provisions for reporting class C.

This year the Company has chosen to present the financial statements in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises as opposed to previous years in which the financial statements were presented according to the provisions governing reporting class C. There has been no changes in the policies for recognition and measurement for which reason the change only consists in the scope of notes and disclosures.

The accounting policies applied for these financial statements are consistent with those applied last year.

Consolidated financial statements

Referring to section 112(1) of the Danish Financial Statements Act, no consolidated financial statements have been prepared.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Accounting policies

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the one in effect at the payment date, or the rate at the balance sheet date are recognised in the income statement as financial income or financial expenses. Property, plant and equipment, intangible assets, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

Income statement

Gross profit or loss

Gross profit or loss comprises external expenses.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes write-downs of receivables recognised in current assets.

Staff costs

Staff costs comprise salaries and wages as well as social security contributions, pension contributions, etc for entity staff.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses relating to property, plant and equipment comprise amortisation, depreciation and impairment losses for the financial year, calculated on the basis of the residual values and useful lives of the individual assets and impairment testing as well as gains and losses from the sale of property, plant and equipment.

Income from investments in group enterprises

Income from investments in group enterprises comprises the pro rata share of the individual enterprises' profit/loss after full elimination of internal profits or losses.

Other financial income

Other financial income comprises dividends etc received on other investments, interest income, including interest income on receivables from group enterprises, net capital gains on securities, payables and transactions in foreign currencies, amortisation of financial assets as well as tax relief under the Danish Tax Prepayment Scheme etc.

Accounting policies

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital losses on securities, payables and transactions in foreign currencies, amortisation of financial liabilities as well as tax surcharge under the Danish Tax Prepayment Scheme etc.

Income taxes

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The Entity is jointly taxed with all Danish subsidiaries. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet

Property, plant and equipment

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

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Other fixtures and fittings, tools and equipment	3-5 years
Leasehold improvements	5 years

For leasehold improvements and assets subject to finance leases, the depreciation period cannot exceed the contract period.

Property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Investments in group enterprises

Investments in group enterprises are recognised and measured according to the equity method. This means that investments are measured at the pro rata share of the enterprises' equity plus or minus unamortised positive, or negative, goodwill and minus or plus unrealised intra-group profits or losses.

Investments in group enterprises are written down to the lower of recoverable amount and carrying amount.

Accounting policies

Receivables

Receivables are measured at amortised cost, usually equalling nominal value less write-downs for bad and doubtful debts.

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and tax-based value of assets and liabilities, for which the tax-based value of assets is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Income tax payable or receivable

Current tax payable or receivable is recognised in the balance sheet, stated as tax calculated on this year's taxable income, adjusted for prepaid tax.

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash

Cash comprises cash in hand and bank deposits.

Other provisions

Other provisions comprise anticipated costs of non-recourse guarantee commitments, returns, loss on contract work in progress, decided and published restructurings, etc.

Other provisions are recognised and measured as the best estimate of the expenses required to settle the liabilities at the balance sheet date. Provisions that are estimated to mature more than one year after the balance sheet date are measured at their discounted value.

Finance lease commitments

Lease commitments relating to assets held under finance leases are recognised in the balance sheet as liabilities other than provisions, and, at the time of inception of the lease, measured at the present value of future lease payments. Subsequent to initial recognition, lease commitments are measured at amortised cost. The difference between present value and nominal amount of the lease payments is recognised in the income statement as a financial expense over the term of the leases.

Accounting policies

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

Income statement for 2014/15

	<u>Notes</u>	<u>2014/15 DKK</u>	<u>2013/14 DKK</u>
Gross profit		6.007.384	(4.903.398)
Staff costs	1	(11.094.704)	(16.338.421)
Depreciation, amortisation and impairment losses		<u>(101.061)</u>	<u>(294.618)</u>
Operating profit/loss		(5.188.381)	(21.536.437)
Income from investments in group enterprises		90.560.662	(4.615.011)
Other financial income	2	12.772.360	8.041.198
Other financial expenses	3	<u>(32.064.375)</u>	<u>(15.542.266)</u>
Profit/loss from ordinary activities before tax		66.080.266	(33.652.516)
Tax on profit/loss from ordinary activities	4	<u>5.365.551</u>	<u>6.931.690</u>
Profit/loss for the year		<u>71.445.817</u>	<u>(26.720.826)</u>
 Proposed distribution of profit/loss			
Reserve for net revaluation according to the equity method		90.560.662	(13.344.911)
Retained earnings		<u>(19.114.845)</u>	<u>(13.375.915)</u>
		<u>71.445.817</u>	<u>(26.720.826)</u>

Balance sheet at 30.06.2015

	<u>Notes</u>	<u>2014/15 DKK</u>	<u>2013/14 DKK</u>
Other fixtures and fittings, tools and equipment		282.316	383.377
Property, plant and equipment	5	<u>282.316</u>	<u>383.377</u>
Investments in group enterprises		413.293.587	301.753.222
Fixed asset investments	6	<u>413.293.587</u>	<u>301.753.222</u>
Fixed assets		<u>413.575.903</u>	<u>302.136.599</u>
Trade receivables		1.216	13.478
Receivables from group enterprises		350.460.809	205.168.638
Receivables from associates		254.377	731.265
Deferred tax assets		17.992.251	12.626.700
Other short-term receivables		1.115.915	161.718
Income tax receivable		50.000	1.091.320
Prepayments		768.556	642.343
Receivables		<u>370.643.124</u>	<u>220.435.462</u>
Cash		<u>660</u>	<u>3.636</u>
Current assets		<u>370.643.784</u>	<u>220.439.098</u>
Assets		<u><u>784.219.687</u></u>	<u><u>522.575.697</u></u>

Balance sheet at 30.06.2015

	<u>Notes</u>	<u>2014/15 DKK</u>	<u>2013/14 DKK</u>
Contributed capital	7	15.000.000	15.000.000
Reserve for net revaluation according to the equity method		342.969.527	245.032.073
Reserves according to the articles of association		3.600.000	3.600.000
Retained earnings		(35.877.793)	(16.762.948)
Equity		<u>325.691.734</u>	<u>246.869.125</u>
Provisions for investments in group enterprises		33.787.402	21.162.400
Other provisions		0	3.350.000
Provisions		<u>33.787.402</u>	<u>24.512.400</u>
Finance lease liabilities		238.913	240.452
Other credit institutions		0	21.186.560
Payables to group enterprises		0	13.750.000
Non-current liabilities other than provisions		<u>238.913</u>	<u>35.177.012</u>
Current portion of long-term liabilities other than provisions		74.981.335	9.639.042
Bank loans		202.672.591	129.377.960
Trade payables		182.466	5.419.039
Debt to group enterprises		140.961.003	44.701.493
Other payables		5.704.243	26.879.626
Current liabilities other than provisions		<u>424.501.638</u>	<u>216.017.160</u>
Liabilities other than provisions		<u>424.740.551</u>	<u>251.194.172</u>
Equity and liabilities		<u>784.219.687</u>	<u>522.575.697</u>
Contingent liabilities	8		
Ownership	9		
Consolidation	10		

Statement of changes in equity for 2014/15

	Contributed capital DKK	Reserve for net revalua- tion accor- ding to the equity me- thod DKK	Reserves according to the articles of associati- on DKK	Retained earnings DKK	Total DKK
Equity beginning of year	15.000.000	245.032.073	3.600.000	(16.762.948)	246.869.125
Exchange rate adjustments	0	7.376.792	0	0	7.376.792
Profit/loss for the year	0	90.560.662	0	(19.114.845)	71.445.817
Equity end of year	15.000.000	342.969.527	3.600.000	(35.877.793)	325.691.734

Notes

	2014/15 DKK	2013/14 DKK
1. Staff costs		
Wages and salaries	7.994.669	13.514.758
Pension costs	1.120.057	1.191.764
Other social security costs	222.614	239.902
Other staff costs	1.757.364	1.391.997
	11.094.704	16.338.421
	2014/15 DKK	2013/14 DKK
2. Other financial income		
Financial income arising from group enterprises	12.772.347	8.005.745
Financial income from associates	0	34.340
Other financial income	13	1.113
	12.772.360	8.041.198
	2014/15 DKK	2013/14 DKK
3. Other financial expenses		
Financial expenses from group enterprises	4.707.160	3.101.724
Exchange rate adjustments	14.964.022	1.099.146
Other financial expenses	12.393.193	11.341.396
	32.064.375	15.542.266
	2014/15 DKK	2013/14 DKK
4. Tax on ordinary profit/loss for the year		
Current tax	0	(322.090)
Change in deferred tax for the year	(5.747.136)	(7.010.300)
Effect of changed tax rates	381.585	400.700
	(5.365.551)	(6.931.690)

Notes

	Other fixtures and fittings, tools and equipment DKK
5. Property, plant and equipment	
Recognised assets not owned by entity	<u>254.995</u>

6. Fixed asset investments

	Registered in	Equity interest %
Subsidiaries:		
Towleys Woodland Inc.	United Kingdom	100,00
Braco Woodland Ltd.	United Kingdom	100,00
Green Team Christmas Trees Ltd.	United Kingdom	100,00
SCEA Green Team France	France	97,00
Green Team Polske Sp. z.o.o.	Poland	100,00
Green Team Danmark ApS	Billund, Denmark	100,00
Green Team Holland B.V.	The Netherlands	100,00
Green Team Europe A/S	Billund, Denmark	100,00
Green Team Forest Sp. z.o.o.	Poland	52,00
	Registered in	Equity interest %
Associates:		
Hansen Faeskola	Hungary	25,00

Notes

	<u>2014/15</u> <u>DKK</u>	<u>2013/14</u> <u>DKK</u>	<u>2012/13</u> <u>DKK</u>	<u>2011/12</u> <u>DKK</u>	<u>2010/11</u> <u>DKK</u>
7. Contributed capital					
Changes in contributed capital					
Contributed capital beginning of year	15.000.000	15.000.000	15.000.000	15.000.000	35.000.000
Decrease of capital	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(20.000.000)</u>
Contributed capital end of year	<u>15.000.000</u>	<u>15.000.000</u>	<u>15.000.000</u>	<u>15.000.000</u>	<u>15.000.000</u>

8. Contingent liabilities

The Company participates in a Danish joint taxation arrangement in which Adelis Services I ApS serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Company is therefore liable for income taxes etc for the jointly taxed companies and for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed companies.

The company has issued a joint and several guarantee for Skaftvedgård PAR0310 ApS' engagement with Jyske Bank. At 30.06.2014 the Company has a debt of DKK 878.

9. Ownership

The Company has registered the following share holders to hold more than 5% of the voting share capital or nominal value of the share capital:

Green Team Group A/S, Billund, Denmark.

10. Consolidation

Name and registered office of the Parent preparing consolidated financial statements for the largest group:

Green Team Group A/S, Billund, Denmark