

Green Team Holding A/S

Simmelbrovej 44
7260 Sønder Omme
Business Registration No
29150257

Annual report 01.07.2017 - 30.06.2018

The Annual General Meeting adopted the annual report on 29.11.2018

Chairman of the General Meeting

Name: Steffen Kjeld Thomsen

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Entity details

Entity

Green Team Holding A/S
Simmelbrovej 44
7260 Sønder Omme

Central Business Registration No (CVR): 29150257

Registered in: Billund

Financial year: 01.07.2017 - 30.06.2018

Board of Directors

Steffen Kjeld Thomsen, chairman
Christian Pagaard Junker, vice chairman
Jens Christian Hansen
Jes Bjerregaard
Peder Larsen Østbjerg
Torben Sommer-Larsen

Executive Board

Sune Graae Norsker, managing director

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 01.07.2017 - 30.06.2018.

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 30.06.2018 and of the results of its operations for the financial year 01.07.2017 - 30.06.2018.

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, 25.09.2018

Executive Board

Sune Graae Norsker
managing director

Board of Directors

Steffen Kjeld Thomsen
chairman

Christian Pagaard Junker
vice chairman

Jens Christian Hansen

Jes Bjerregaard

Peder Larsen Østbjerg

Torben Sommer-Larsen

Independent auditor's report

To the shareholders of Green Team Holding A/S

Opinion

We have audited the financial statements of Green Team Holding A/S for the financial year 01.07.2017 - 30.06.2018, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 30.06.2018 and of the results of its operations for the financial year 01.07.2017 - 30.06.2018 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board of Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibilities 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.

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

Auditor's responsibilities for the audit of the financial statements

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

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

Independent auditor's report

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Independent auditor's report

Based on the work we have performed, we conclude that the management commentary is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the management commentary.

Kolding, 25.09.2018

Deloitte

Statsautoriseret Revisionspartnerselskab
Central Business Registration No (CVR)
33963556

Suzette Demediuk Steen Nielsen
State Authorised Public Accountant
Identification No (MNE) mne32207

Allan Trolle Pedersen
State Authorised Public Accountant
Identification No (MNE) mne34339

Management commentary

Primary activities

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

Income statement for 2017/18

	<u>Notes</u>	<u>2017/18</u> <u>DKK</u>	<u>2016/17</u> <u>DKK</u>
Gross profit		4.678.269	5.650.450
Staff costs	1	(9.361.959)	(8.879.518)
Depreciation, amortisation and impairment losses		<u>(117.662)</u>	<u>(124.211)</u>
Operating profit/loss		(4.801.352)	(3.353.279)
Income from investments in group enterprises		(59.434.427)	(185.695.579)
Other financial income	2	15.695.133	23.662.690
Other financial expenses	3	<u>(17.279.622)</u>	<u>(23.382.034)</u>
Profit/loss before tax		(65.820.268)	(188.768.202)
Tax on profit/loss for the year	4	<u>1.404.885</u>	<u>675.977</u>
Profit/loss for the year		<u>(64.415.383)</u>	<u>(188.092.225)</u>
Proposed distribution of profit/loss			
Transferred to reserve for net revaluation according to the equity method		(59.434.427)	(222.351.410)
Retained earnings		<u>(4.980.956)</u>	<u>34.259.185</u>
		<u>(64.415.383)</u>	<u>(188.092.225)</u>

Balance sheet at 30.06.2018

	<u>Notes</u>	<u>2017/18</u> <u>DKK</u>	<u>2016/17</u> <u>DKK</u>
Other fixtures and fittings, tools and equipment		420.396	274.333
Property, plant and equipment		420.396	274.333
Investments in group enterprises		196.242.230	235.754.481
Fixed asset investments	5	196.242.230	235.754.481
Fixed assets		196.662.626	236.028.814
Trade receivables		6.181	73.558
Receivables from group enterprises		571.345.781	476.222.852
Deferred tax		6.281.823	13.634.264
Other receivables		119.215	119.215
Joint taxation contribution receivable		3.212.921	0
Prepayments		139.972	440.251
Receivables		581.105.893	490.490.140
Cash		2.584	17.936
Current assets		581.108.477	490.508.076
Assets		777.771.103	726.536.890

Balance sheet at 30.06.2018

	<u>Notes</u>	<u>2017/18</u> <u>DKK</u>	<u>2016/17</u> <u>DKK</u>
Contributed capital		15.000.000	15.000.000
Reserve for net revaluation according to the equity method		18.991.957	69.592.412
Reserves according to the articles of association		3.600.000	3.600.000
Retained earnings		<u>8.734.666</u>	<u>23.741.062</u>
Equity		<u>46.326.623</u>	<u>111.933.474</u>
Provisions for investments in group enterprises		<u>124.259.467</u>	<u>105.876.229</u>
Provisions		<u>124.259.467</u>	<u>105.876.229</u>
Bank loans		200.000.000	195.000.000
Finance lease liabilities		<u>0</u>	<u>143.348</u>
Non-current liabilities other than provisions		<u>200.000.000</u>	<u>195.143.348</u>
Current portion of long-term liabilities other than provisions		0	42.973
Bank loans		123.306.728	71.084.392
Trade payables		3.393.737	741.340
Payables to group enterprises		277.266.485	237.779.990
Other payables		<u>3.218.063</u>	<u>3.935.144</u>
Current liabilities other than provisions		<u>407.185.013</u>	<u>313.583.839</u>
Liabilities other than provisions		<u>607.185.013</u>	<u>508.727.187</u>
Equity and liabilities		<u>777.771.103</u>	<u>726.536.890</u>
Contingent liabilities	6		
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Statement of changes in equity for 2017/18

	Contributed capital DKK	Reserve for net revaluation according to the equity method DKK	Reserves according to the articles of association DKK	Retained earnings DKK
Equity beginning of year	15.000.000	69.592.412	3.600.000	23.741.062
Exchange rate adjustments	0	1.464.418	0	0
Fair value adjustments of hedging instruments	0	0	0	192.812
Tax of entries on equity	0	0	0	54.383
Transfer to reserves	0	7.369.554	0	(10.272.635)
Profit/loss for the year	0	(59.434.427)	0	(4.980.956)
Equity end of year	15.000.000	18.991.957	3.600.000	8.734.666
				Total DKK
Equity beginning of year				111.933.474
Exchange rate adjustments				1.464.418
Fair value adjustments of hedging instruments				192.812
Tax of entries on equity				54.383
Transfer to reserves				(2.903.081)
Profit/loss for the year				(64.415.383)
Equity end of year				46.326.623

Notes

	2017/18	2016/17
	DKK	DKK
1. Staff costs		
Wages and salaries	7.205.265	6.527.857
Pension costs	765.837	865.392
Other social security costs	93.207	101.457
Other staff costs	1.297.650	1.384.812
	9.361.959	8.879.518
Average number of employees	11	
	2017/18	2016/17
	DKK	DKK
2. Other financial income		
Financial income arising from group enterprises	12.084.631	13.799.463
Exchange rate adjustments	3.558.116	9.863.227
Other financial income	52.386	0
	15.695.133	23.662.690
	2017/18	2016/17
	DKK	DKK
3. Other financial expenses		
Financial expenses from group enterprises	5.899.648	6.853.740
Exchange rate adjustments	3.016.644	4.749.853
Other financial expenses	8.363.330	11.778.441
	17.279.622	23.382.034
	2017/18	2016/17
	DKK	DKK
4. Tax on profit/loss for the year		
Current tax	(1.404.885)	0
Change in deferred tax	0	(675.977)
	(1.404.885)	(675.977)

Notes

	Invest- ments in group enterprises DKK
	<u>DKK</u>
5. Fixed asset investments	
Cost beginning of year	52.916.288
Additions	<u>74.525</u>
Cost end of year	<u>52.990.813</u>
Revaluations beginning of year	182.838.193
Exchange rate adjustments	(3.575.456)
Share of profit/loss for the year	(59.434.428)
Investments with negative equity value depreciated over receivables	18.382.855
Other adjustments	<u>5.040.253</u>
Revaluations end of year	<u>143.251.417</u>
Carrying amount end of year	<u>196.242.230</u>

	Registered in	Equity inte- rest %
	<u>Registered in</u>	<u>%</u>
Investments in group enterprises comprise:		
Towleys Woodland Inc.	United Kingdom	100,0
Braco Woodland Ltd.	United Kingdom	100,0
Green Team Christmas Trees Ltd.	United Kingdom	100,0
SCEA Green Team France	France	96,7
Green Team Polske Sp. z.o.o.	Poland	100,0
Green Team Danmark ApS	Billund, Denmark	100,0
Green Team Holland B.V.	The Netherlands	100,0
Green Team Europe A/S	Billund, Denmark	100,0
GTG Belgium SA	Belgium	99,0
Green Team Forest Sp. z.o.o.	Poland	100,0

Notes

	<u>Registered in</u>	<u>Equity inte- rest %</u>
Investments in associates comprise:		
Hansen Faeskola	Hungary	25,0

6. 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.

7. Assets charged and collateral

The Company capital in the following companies has been pledged as security for bank engagement with Sydbank A/S:

Green Team Europe A/S, nom. DKK 1,000k, carrying amount DKK (56,619)k.

Green Team Danmark ApS, nom. DKK 500k, carrying amount DKK (11,842)k.

Majland A/S, nom DKK 714K, carrying amount DKK 20,639k.

8. Group relations

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

Green Team Group A/S, Sønder Omme, CVR-nr. 33057539.

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.

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.

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.

Accounting policies

Revenue

Revenue from the sale of services is recognised in the income statement when delivery is made to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

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.

Depreciation, amortisation 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.

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.

Tax on profit/loss for the year

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).

Accounting policies

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.

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.

Joint taxation contributions receivable or payable

Current joint taxation contributions payable or joint taxation contributions receivable are recognised in the balance sheet, calculated as tax computed on the taxable income for the year, which has been adjusted for prepaid tax. For tax losses, joint taxation contributions receivable are only recognised if such losses are expected to be used under the joint taxation arrangement.

Accounting policies

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 liabilities

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.

Other financial liabilities

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