

HortiAdvice Scandinavia A/S
Central Business Registration No
32305164
Hvidkærvej 29
5250 Odense SV

Annual report 2015

The Annual General Meeting adopted the annual report on 14.04.2016

Chairman of the General Meeting



Name: Ivar Søren Ravn

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Entity details

Entity

HortiAdvice Scandinavia A/S
Hvidkærvej 29
5250 Odense SV

Central Business Registration No: 32305164
Registered in: Odense
Financial year: 01.01.2015 - 31.12.2015

Board of Directors

Ivar Søren Ravn, Chairman
Cornelius Jacob van der Wekken
Søren Bent Olesen
Jan Jensen Hass
Nauja Lisa Jensen
Inge Ulsted Sørensen

Executive Board

Jan Jensen Hass, Chief Executive Officer

Bank

Nordea Bank Danmark
Strandgade 3
0900 København C

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
City Tower, Værkmestergade 2
8000 Aarhus C

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of HortiAdvice Scandinavia A/S for the financial year 01.01.2015 - 31.12.2015.

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 31.12.2015 and of the results of its operations for the financial year 01.01.2015 - 31.12.2015.

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.

Odense, 06.04.2016

Executive Board



Jan Jensen Hass
Chief Executive Officer

Board of Directors



Ivar Søren Ravn
Chairman



Jan Jensen Hass



Cornelius Jacob van der Wekken



Søren Bent Olesen



Nauja Lisa Jensen



Inge Ulsted Sørensen

Independent auditor's reports

To the owners of HortiAdvice Scandinavia A/S

Report on the financial statements

We have audited the financial statements of HortiAdvice Scandinavia A/S for the financial year 01.01.2015 - 31.12.2015, 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.

Independent auditor's reports

Opinion

In our opinion, the financial statements give a true and fair view of the Company's financial position at 31.12.2015 and of the results of its operations for the financial year 01.01.2015 - 31.12.2015 in accordance with the Danish Financial Statements Act.

Statement on the management commentary

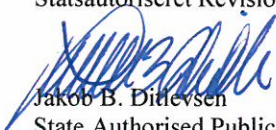
Pursuant to the Danish Financial Statements Act, we have read the management commentary. We have not performed any further procedures in addition to the audit of the financial statements.

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

Aarhus, 06.04.2016

Deloitte

Statsautoriseret Revisionspartnerselskab



Jakob B. Ditlevsen
State Authorised Public Accountant

CVR-nr. 33963556

Management commentary

Primary activities

The Company provides advisory services to the entire horticultural sector with focus on direct and independent advice. The philosophy is that a direct dialogue between producer and advisor makes a difference and creates value on operations, and the motto is “For the benefit of growers”.

The Company has a vision of setting up international teams of specialists in customised productions. The Danish consultants will update their competencies together with a group of specialists in the different cultures and areas. Consequently, the advisory services to Danish growers will enjoy a significant boost, and create added value in the sector.

HortiAdvice Scandinavia A/S has 30 employees. In addition to offering advisory services, the Company also publishes a Danish magazines in the horticultural sector: Gartner Tidende as well as a number of technical newsletters.

Development in activities and finances

The Company achieved a satisfactory profit for the financial year. The Executive Board expects a continuous positive development and will continue to strengthen its efforts to achieve the goals set out in the strategy plan for 2016.

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.

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

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

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.

Accounting policies

Cost of sales

Cost of sales comprises costs of sales for the financial year measured at cost.

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 intangible assets and 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 intangible assets as well as property, plant and equipment.

Other financial income

Other financial income comprises interest income, including interest income on net capital gains on transactions in foreign currencies etc.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital losses on transactions in foreign currencies 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.

Balance sheet

Goodwill

Goodwill is amortised straight-line over its estimated useful life which is fixed based on the experience gained by Management for each business area. The amortisation period is usually five years.

Goodwill is written down to the lower of recoverable amount and carrying amount.

Accounting policies

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

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.

Receivables

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

Prepayments

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

Operating leases

Lease payments on operating leases are recognised on a straight-line basis in the income statement over the term of the lease.

Other financial liabilities

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

Income tax receivable or payable

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.

Income statement for 2015

	<u>Notes</u>	<u>2015 DKK</u>	<u>2014 DKK</u>
Revenue		31.079.549	31.589.993
Cost of sales		(8.212.613)	(6.679.400)
Other external expenses		<u>(5.229.863)</u>	<u>(6.679.225)</u>
Gross profit/loss		17.637.073	18.231.368
Staff costs	1	(16.811.893)	(16.971.683)
Depreciation, amortisation and impairment losses		<u>(201.440)</u>	<u>(389.947)</u>
Operating profit/loss		623.740	869.738
Other financial income	2	11.015	23.632
Other financial expenses	3	<u>(36.143)</u>	<u>(68.868)</u>
Profit/loss from ordinary activities before tax		598.612	824.502
Tax on profit/loss from ordinary activities	4	<u>(106.304)</u>	<u>(217.800)</u>
Profit/loss for the year		<u>492.308</u>	<u>606.702</u>
Proposed distribution of profit/loss			
Retained earnings		<u>492.308</u>	<u>606.702</u>
		<u>492.308</u>	<u>606.702</u>

Balance sheet at 31.12.2015

	<u>Notes</u>	<u>2015 DKK</u>	<u>2014 DKK</u>
Goodwill		182.200	364.400
Intangible assets	5	<u>182.200</u>	<u>364.400</u>
Other fixtures and fittings, tools and equipment		10.262	29.502
Property, plant and equipment	6	<u>10.262</u>	<u>29.502</u>
Deferred tax		141.631	100.349
Fixed asset investments	7	<u>141.631</u>	<u>100.349</u>
Fixed assets		<u>334.093</u>	<u>494.251</u>
Trade receivables		2.195.298	1.869.780
Receivables from group enterprises		686.686	687.644
Receivables from associates		83.486	0
Other short-term receivables		8.123.935	6.309.342
Prepayments		60.280	260.295
Receivables		<u>11.149.685</u>	<u>9.127.061</u>
Current assets		<u>11.149.685</u>	<u>9.127.061</u>
Assets		<u>11.483.778</u>	<u>9.621.312</u>

Balance sheet at 31.12.2015

	<u>Notes</u>	<u>2015 DKK</u>	<u>2014 DKK</u>
Contributed capital		1.000.000	1.000.000
Retained earnings		1.762.791	1.270.483
Equity		<u>2.762.791</u>	<u>2.270.483</u>
Payables to group enterprises		0	48.229
Non-current liabilities other than provisions		<u>0</u>	<u>48.229</u>
Bank loans		2.790.002	1.395.514
Trade payables		1.151.894	755.547
Debt to group enterprises		264.021	1.075.936
Debt to associates		266.085	0
Income tax payable		417.769	270.183
Other payables		3.831.216	3.805.420
Current liabilities other than provisions		<u>8.720.987</u>	<u>7.302.600</u>
Liabilities other than provisions		<u>8.720.987</u>	<u>7.350.829</u>
Equity and liabilities		<u>11.483.778</u>	<u>9.621.312</u>
Unrecognised rental and lease commitments	8		
Contingent liabilities	9		
Assets charged and collateral	10		
Ownership	11		

Statement of changes in equity for 2015

	Contributed capital DKK	Retained ear- nings DKK	Total DKK
Equity beginning of year	1.000.000	1.270.483	2.270.483
Profit/loss for the year	0	492.308	492.308
Equity end of year	1.000.000	1.762.791	2.762.791

Notes

	2015	2014
	DKK	DKK
1. Staff costs		
Wages and salaries	15.201.944	15.298.374
Pension costs	1.350.877	1.366.865
Other social security costs	259.072	286.207
Other staff costs	0	20.237
	16.811.893	16.971.683
	2015	2014
	DKK	DKK
2. Other financial income		
Interest income	9.123	21.858
Exchange rate adjustments	1.892	1.774
	11.015	23.632
	2015	2014
	DKK	DKK
3. Other financial expenses		
Financial expenses from group enterprises	0	48.229
Interest expenses	32.473	17.564
Exchange rate adjustments	3.670	3.075
	36.143	68.868
	2015	2014
	DKK	DKK
4. Tax on ordinary profit/loss for the year		
Current tax	147.586	270.183
Change in deferred tax for the year	(57.248)	(64.292)
Effect of changed tax rates	15.966	11.909
	106.304	217.800

Notes

	Goodwill DKK
	<u> </u>
5. Intangible assets	
Cost beginning of year	911.000
Cost end of year	<u>911.000</u>
Amortisation and impairment losses beginning of year	(546.600)
Amortisation for the year	<u>(182.200)</u>
Amortisation and impairment losses end of year	<u>(728.800)</u>
Carrying amount end of year	<u>182.200</u>
	Other fix- tures and fittings, tools and equipment DKK
	<u> </u>
6. Property, plant and equipment	
Cost beginning of year	537.720
Cost end of year	<u>537.720</u>
Depreciation and impairment losses beginning of the year	(508.218)
Depreciation for the year	<u>(19.240)</u>
Depreciation and impairment losses end of the year	<u>(527.458)</u>
Carrying amount end of year	<u>10.262</u>
	Deferred tax DKK
	<u> </u>
7. Fixed asset investments	
Cost beginning of year	100.349
Additions	<u>41.282</u>
Cost end of year	<u>141.631</u>
Carrying amount end of year	<u>141.631</u>

Notes

	<u>2015</u> <u>DKK</u>	<u>2014</u> <u>DKK</u>
8. Unrecognised rental and lease commitments		
Commitments under rental agreements or leases until expiry	<u>356.887</u>	<u>356.887</u>
Commitments under rental agreements or leases with group enterprises until expiry	<u>188.780</u>	<u>188.780</u>

9. Contingent liabilities

The Company participates in a Danish joint taxation arrangement in which VFL Holding ApS serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Company is therefore liable from the financial year 2013 for income taxes etc for the jointly taxed companies and from 1 July 2012 also for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed companies.

10. Assets charged and collateral

There is no collateral in the company.

11. Ownership

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

VFL Holding ApS/ Aarhus N, Denmark

DLV Plant Group BV/ Wageningen, The Netherlands