

# STARK CORPORATION PLC

No. 8/2023  
22 April 2023

## CORPORATES

**Company Rating:** BB-  
**CreditAlert:** Negative

**Last Review Date:** 05/04/23

### Company Rating History:

Date	Rating	Outlook/Alert
05/04/23	BBB+	Alert Negative
23/12/22	BBB+	Stable
30/05/22	BBB+	Alert Negative
26/03/21	BBB+	Stable

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## RATIONALE

TRIS Rating downgrades the company rating on STARK Corporation PLC (STARK) to “BB-” from “BBB+” and maintains CreditAlert with a “negative” implication.

The rating action follows STARK’s announcement on 19 April 2023 that the company is postponing the submission of its financial statements, ending 31 December 2022, for the third time, to within June 2023. The company has also announced the replacement of its entire board of directors and key executives, and has appointed Mr. Vonnarat Tangkaravakoon, the major shareholder in STARK, as the Acting Chief Executive Officer.

In our view, the entire change of the board of directors indicates serious problems surrounding the company’s management. The company has so far failed to clearly explain what has gone wrong. Additionally, the further postponement of the financial statement submission raises more questions about the credibility of its past financial statements.

STARK has breached a covenant of its debenture obligations following its failure to submit financial statements on time. A debenture holders meeting has been scheduled for 28 April 2023 in order to consider a waiver on late submission of the financial statements. If the debenture holders do not approve the waiver, then the consideration of declaration of an event of default, and acceleration of the company’s debenture obligations, could follow. In that scenario, TRIS Rating could downgrade the rating to “C” or “D” depending on the exact outcome of the debenture holders meeting on 28 April 2023.

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**RELATED CRITERIA**

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- Corporate Rating Methodology, 15 July 2022
- Key Financial Ratios and Adjustments for Corporate Issuers, 11 January 2022

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**STARK Corporation PLC (STARK)**

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<b>Company Rating:</b>	BB-
<b>CreditAlert:</b>	Negative

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