STARK CORPORATION PLC

No. 9/2023
1 June 2023

CORPORATES

Company Rating:	C
CreditAlert:	Negative

Last Review Date: 22/04/23

Company Rating History:

Date	Rating	Outlook/Alert
22/04/23	BB-	Alert Negative
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 "C" from "BB-" and maintains CreditAlert with a "negative" implication.

The rating action follows the resolution of STARK's debenture holders meeting held on 31 May 2023. The debenture holders' meeting of two debenture issues, STARK239A and STARK249A, resolved not to waive the event of default in relation to the company's failure to meet the debenture condition on annual submission of the 56-1 Form. The debenture holders also resolved to accelerate the payment of all obligations under the debentures. In our view, the payment acceleration will likely trigger cross-defaults and lead to acceleration of the company's other debt obligations. In this scenario, it is unlikely the company will be able to continue meeting all of its debt obligations.

RELATED CRITERIA

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

STARK Corporation PLC (STARK)

Company Rating:	C
CreditAlert:	Negative

TRIS Rating Co., Ltd.

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CreditAlert, *as part of TRIS Rating's monitoring process as a public warning when there is insufficient information to fully assess and reconsider a debt instrument's current rating or when significant events have occurred that may affect the company's rating already assigned by TRIS Rating. Credit Alert designations may be "positive" or "negative" or "developing", depending on the likely impact of a particular situation. The existing rating continues unchanged for the present. Monitoring is done until the debt instrument matures or the company's rating contract expires.*