
Stark Group A/S

C.F. Richs Vej 115
2000 Frederiksberg
Denmark

CVR No. 27 06 53 33

Annual Report

1 August 2019 to 31 July 2020

The Annual Report was
presented and adopted
at the Annual General
meeting on 23 December 2020

Laurits Anton Jørgensen

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Management's Statement on the Financial Statements

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Stark Group A/S for the financial year 1 August 2019 to 31 July 2020.

The Financial Statements have been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the Financial Statements give a true and fair view of the financial position as of 31 July 2020 of the Company and of the results of the Company operations for the financial year 2019/20.

In our opinion, Management's Review includes a true and fair account of the development in the operations and financial circumstances of the Company, and the results for the year and of the financial position of the Company as well as a description of the most significant risks and elements of uncertainty facing the Company.

We recommend that the Financial Statements of the Company be approved at the Annual General Meeting.

Copenhagen, on 23 December 2020

Executive Board

Søren P. Olesen
CEO

Sisse Fjelsted Rasmussen
CFO

Board of Directors

Laurits Anton Jørgensen
Chairman

Daniel Robert Potok

Lene Kjærbo Groth

Independent auditor's report

To the shareholder of Stark Group A/S

Opinion

We have audited the Financial Statements of Stark Group A/S for the financial year 1 August 2019 – 31 July 2020, 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 Company's financial position at 31 July 2020 and of the results of its operations for the financial year 1 August 2019 – 31 July 2020 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 Company 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 Company'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 Company 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:

- 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 Company'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 Company'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 Company 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 Management's review

Management is responsible for Management's review.

Our opinion on the Financial Statements does not cover Management's review, 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 Management's review and, in doing so, consider whether Management's review 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 Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that Management's review 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 Management's review.

Copenhagen, 23 December 2020

Deloitte

Statsautoriseret Revisionspartnerselskab
Business Registration No 33 96 35 56

Kim Takate Mücke

State-Authorised Public Accountant
Identification No (MNE) mne10944

Anette Beltrão-Primdahl

State-Authorised Public Accountant
Identification No (MNE) mne45854

Company Information

Company	Stark Group A/S C. F. Richs Vej 115 2000 Frederiksberg Denmark CVR No. 27 06 53 33 Financial period: 1 August - 31 July Incorporated: 17 March 2003 Financial year: 17th financial year
Executive Board	Søren Peschardt Olesen (CEO) Sisse Fjelsted Rasmussen (CFO)
Board of Directors	Laurits Anton Jørgensen (Chairman) Daniel Robert Potok Lene Kjærbo Groth
Auditors	Deloitte Statsautoriseret Revisionspartnerselskab Weidekampsgade 6 DK-2300 København
Annual General Meeting	23 December 2020

Management's review

Financial highlights for the Company

DKKm	2019/20	2018/19	2017/18	2016/17	2015/16
Income statement					
Net sales	143	132	-	-	-
EBITDA	(47)	(88)	0	0	0
EBIT	(49)	(90)	0	0	0
Financial items, net	231	219	239	(23)	(26)
Results for the year	191	139	240	(18)	(22)
Balance sheet					
Non-current assets	2,642	2,281	2,275	2,275	2,278
Current assets	2,175	45	10	9	24
Total assets	4,817	2,326	2,286	2,285	2,302
Equity	16	440	562	908	927
Non-current liabilities	292	0	-	-	-
Current liabilities	4,509	1,886	1,724	1,376	1,375
Investment in property, plant and equipment	0	6	-	-	-

Activities

The Company's main activity is as in previous years investing in subsidiaries which operate within distribution of building materials in Northern Europe.

STARK Group is Northern Europe's leading business-to-business distributor of building materials for the construction industry, with a strategic focus on serving small- and medium sized enterprises (SME) in the resilient renovation, maintenance, and improvements (RMI) market. The Group has a strong footprint in faster growing urban areas, particularly in and surrounding large cities and national capitals.

STARK Group has doubled in size over the last couple of years through organic growth and acquisitions, and today, the group holds leading market positions in all our markets. Following expansion into Germany as of 1 October 2019, the group employs more than 10,000 people working across Northern Europe in more than 400 local builders' merchants in Denmark, Sweden, Finland, Norway, Greenland, and Germany.

Results in 2019/20

The Company's income statement for 2019/20 shows a profit of DKK 191m compared to a profit of DKK 139m last year. The profit for the year is in line with the expectations.

Outlook

The outlook for 2020/21 are profits of approx. DKK 2,000m from dividends from subsidiaries. In September 2020, Stark Group A/S received dividends from subsidiaries of DKK 2,161m. Reference is made to note 19 subsequent events.

Corporate social responsibility

Sustainability

STARK Group's core values, Decency, Passion and Pride, support sustainable performance by focusing on how we interact with the world around us. We have supplemented our values with a Code of Conduct to provide more practical guiding principles for daily behaviour. It applies to all employees, temporary personnel, agents, contractors, and suppliers. The Code of Conduct was implemented in STARK Deutschland in 2020 and has been distributed to all new suppliers employees and business partners understand the commercial relevance and necessity of integrated sustainability in business operations.

Stark Group have established a Sustainability Advisory Board consisting of the Group CEO, the CEOs of each of the five business units, the CEO of STARK Sourcing, the Group CFO, Chief Strategy Officer, Chief Human Resources Officer, General Counsel, Head of Communications and Head of Sustainability.

The main role of the advisory board is to define the sustainability framework and set targets to ensure a common direction to work towards integrated sustainability in all business operations.

In 2020, we have set new and ambitious sustainability targets which have now been integrated into the Group's business strategy for the period 2020-2024.

People

As a workplace, Stark Group ensure equal treatment and opportunities for all employees. We take pride in belonging to a community that comprises different genders, ages, ethnicities, disabilities, sexual orientations, faith, and religions. At STARK Group A/S the Executive Committee consists of 30% women (3 out of 10) and the Group Management Team's gender balance is 50/50.

The full corporate social responsibility statement of STARK Group A/S as required by the EU Directive 2014/95/EU and Sections 99a and 99b of the Danish Financial Statements Act is part of the Stark Group Sustainability Report 2020 and can be found through Stark Group's webpage at the following address:

<https://starkgroup.dk/about/sustainability>

Income Statement 1 August - 31 July

DKKm		2019/20	2018/19
Note			
2	Net sales	143	132
	Gross Profit	143	132
	Other external expenses	(87)	(141)
3	Staff costs	(103)	(79)
	Earnings before interest, tax, depreciation and amortisation (EBITDA)	(47)	(88)
4	Depreciation, amortisation and writedown of non-current assets	(2)	(2)
	Earnings before interest and tax (EBIT)	(49)	(90)
	Income from investments in subsidiaries	260	261
5	Financial income	1	-
6	Financial expenses	(30)	(42)
	Result before tax	182	129
7	Tax for the year	9	10
	Result for the year	191	139
12	Proposed distribution of profit:		
	Interim dividend paid	354	-
	Proposed dividend	-	261
	Retained earnings	(163)	(122)
	Total	191	139

Statement of Balance Sheet as of 31 July

DKKm		2020	2019
Note	Assets		
	Non-current assets		
8	Intangible non-current assets		
	Software	3	-
	Software work in progress	7	-
	Total intangible non-current	10	-
9	Tangible non-current assets		
	Plant and equipment	3	5
	Total tangible non-current assets	3	5
	Financial non-current assets		
10	Investments in subsidiaries	2,475	2,276
	Receivables from related parties	154	-
	Total financial non-current assets	2,629	2,276
	Total non-current assets	2,642	2,281
	Current assets		
	Receivables from related parties	164	24
	Other receivables	24	21
	Cash and cash equivalents	1,987	0
	Total current assets	2,175	45
	Total assets	4,817	2,326

Statement of Balance Sheet as of 31 July

DKK	2020	2019
<hr/>		
Note		
Equity and liabilities		
Note		
Equity		
11 Share capital	10	10
Retained earnings	6	168
Dividend	-	261
Total equity	16	440
Non-current liabilities		
13 Payables to related parties	292	-
Total non-current liabilities	292	-
Current liabilities		
Trade payables	14	15
Other payables	98	149
13 Payables to related parties	4,397	1,722
Total current liabilities	4,509	1,886
Total liabilities	4,801	1,886
Total equity and liabilities	4,817	2,326

Statement of Changes in Equity

DKKm		Share capital	Retained earnings	Dividend	Total equity
Note					
	Equity at 1 August 2018	10	291	261	562
	Dividend paid	-	-	(261)	(261)
12	Distribution of profit	-	(122)	261	139
	Equity at 31 July 2019	10	169	261	440
	Equity at 1 August 2019	10	169	261	440
	Dividend paid	-	-	(261)	(261)
	Interim dividend paid	-	-	(354)	(354)
12	Distribution of profit	-	(163)	354	191
	Equity at 31 July 2020	10	6	-	16

Subsequent to the balance sheet date interim dividend have been paid of DKK 1,591m. Reference is made to note 18 subsequent events for further details.

Notes to the Financial Statements

1. Accounting policies

The Annual Report of Stark Group A/S for 2019/20 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to large class C entities.

The accounting policies applied remain unchanged from last year.

In previous years, Stark Group A/S prepared consolidated financial statements in accordance with IFRS. In 2019/20 IFRS consolidated financial statements are prepared by STARK ApS, which is the parent company.

Presentation currency

The Financial Statements for 2019/20 are presented in DKK millions.

Cash flow statements

With reference to section 86(4) of the Danish Financial Statements Act Stark Group A/S has not prepared a cash flow statement. Cash flows are included in the consolidated financial statements of STARK ApS.

Consolidated Financial statements

With reference to section 112(1) of the Danish Financial Statements Act no consolidated financial statements have been prepared on Stark Group A/S level. The financial statements of Stark Group A/S and subsidiaries are included in the Consolidated Financial Statements of STARK ApS.

Recognition and measurement

The Financial Statements have been prepared under the historical cost method.

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Recognition and measurement take into account predictable losses and risks occurring before the presentation of the Annual Report which confirm or invalidate affairs and conditions existing at the balance sheet date.

Foreign currencies

Transactions in foreign currencies are translated to the functional currency using the exchange rates at transaction date. At each balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are translated to the functional currency at the rate prevailing on the balance sheet date. All differences are recognized in the income statement.

Notes to the Financial Statements

1 Accounting Policies (continued)

Income Statement

Net sales

Net sales comprise the fair value of consideration received or receivable for the sale of services to group companies. Net sales from the sale of services is recognised in the income statement when the service has been performed.

Net sales is recorded net of discounts/offers and value added taxes.

Other external expenses

Other external expenses comprise corporate costs.

Staff expenses

Staff expenses comprise wages and salaries as well as other payroll expenses.

Depreciation and impairment losses

Depreciation and impairment losses comprise depreciation and impairment of plant and equipment.

Income from investments in subsidiaries

Dividend from subsidiaries are recognised as income in the income statement when adopted at the General Meeting of the subsidiary.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

The Company is jointly taxed with Danish group companies. The tax effect of the joint taxation is allocated to enterprises in proportion to their taxable incomes.

Balance Sheet

Intangible assets - Software

Software that is not integral to an item of plant and equipment is recognised separately as an intangible asset and is carried at cost less accumulated amortisation and accumulated impairment losses. Costs include software licences, consulting costs attributable to the development, design and implementation of the computer software and internal costs directly attributable to the development, design and implementation of the computer software. Costs in respect of training and data conversion are expensed as incurred.

The cost of the intangible assets is amortised and charged to operating costs in the income statement over their estimated useful lives as follows:

Software.....3 - 5 years

Software under development are not depreciated.

Plant and equipment

Plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses. Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use. Interest expenses on loans raised for financing the construction of plant, machinery and equipment and which are related to the period of construction are expensed on a current basis in the income statement.

Depreciation based on cost is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Plant and equipment.....3 - 10 years

Property, plant and equipment under construction are not depreciated.

Investments in subsidiaries

Investments in subsidiaries are measured at cost. Where cost exceeds the recoverable amount, write down is made to this lower value.

Receivables

Receivables are recognised in the balance sheet at amortised cost, which substantially corresponds to nominal value.

Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet to the extent that there is no legal right of offset and/or no practice of net settlement with cash balances. Cash, which is not freely available to the Company, is disclosed as restricted cash.

Borrowings

Interest-bearing loans from related parties and bank and credit institutions and overdrafts are initially recorded at fair value, net of attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between proceeds and redemption value being recognised in the income statement over the term of the borrowings on an effective interest basis.

Trade payables

Trade payables are measured at net realisable value.

Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Surcharges or refunds under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

Current tax liabilities and receivables are recognized in the balance sheet as a payable to or a receivable from the tax administration company and is included in receivables from or payables to related parties.

Notes to the Financial Statements

DKK m	2019/20	2018/19
Note		
2 Net sales		
Service fees from subsidiaries	143	132
Total net sales	143	132
3 Staff costs		
Salaries and wages	94	75
Pensions - contribution plan	6	4
Other expenses for social security	3	0
Total staff costs	103	79
Compensation of Executive Board:		
Salaries and wages	28	18
Pensions - contribution plan	1	1
Other expenses for social security	1	1
Total Remuneration to the Executive Board	30	20
Average number of fulltime employees	73	58
<p>The Executive Board are entitled to a cash bonus on fulfilment of pre-defined financial and non-financial targets. In 2019/20 the bonus to the Executive Board amounted to DKK 18m (2018/19 DKK 9m).</p> <p>The Board of Directors has not received any fee.</p>		
4 Depreciation of non-current assets		
Software	(0)	-
Plant and equipment	2	2
Total depreciation	2	2
5 Financial income		
Other financial income	1	-
Total financial income	1	-
6 Financial expenses		
Interest paid to group enterprises	(4)	(37)
Other financial expenses	(21)	(5)
Foreign exchange losses	(5)	(0)
Total financial expenses	(30)	(42)
7 Tax for the year		
Current tax	9	6
Deferred tax	-	(0)
Adjustment of current tax regarding previous years	-	4
Total tax for the year	9	10

Notes to the Financial Statements

DKKm

Note

8 Intangible non-current assets

	<u>Software</u>	<u>Software work in progress</u>	<u>Total</u>
Cost as of 1 August 2019	-	-	-
Additions	3	7	10
Cost as of 31 July 2020	3	7	10
Depreciation and impairment as of 1 August 2019	-	-	-
Depreciation for the year	0	-	0
Depreciation and impairment as of 31 July 2020	0	-	0
Carrying amount as of 31 July 2020	3	7	10

9 Tangible non-current assets

	<u>Plant and equipment</u>
Cost as of 1 August 2019	6
Additions	0
Cost as of 31 July 2020	6
Depreciation and impairment as of 1 August 2019	(1)
Depreciation for the year	(2)
Depreciation and impairment as of 31 July 2020	(3)
Carrying amount as of 31 July 2020	3

Notes to the Financial Statements

DKKkm	2020	2019
Note		
10 Investments in subsidiaries		
Cost as of 1 August	2,276	2,275
Additions	204	4,748
Additions funded through dividends received	-	(4,747)
Disposals	(5)	-
Cost as of 31 July	2,475	2,276
Depreciation and impairment as of 31 July	-	-
Carrying amount as of 31 July	2,475	2,276

Investments in subsidiaries are specified as follows (DKKkm):

Name	Registered office	Net result	Equity	Voting and ownership share
Subsidiaries:				
STARK Danmark A/S	Viby J, Denmark	330	2,662	100%
Stark Group Holding Germany GmbH ¹⁾	Frankfurt, Germany	-	-	100%
DT Holding (Sweden) AB	Stockholm, Sweden	-	678	100%
Stark Suomi Oy	Espoo, Finland	119	1,021	100%
Neumann Bygg AS	Oslo, Norway	(12)	32	100%
Stark Norway Propco AS	Oslo, Norway	2	3	100%
Margrethe Jørgensens Vei 6 AS	Oslo, Norway	1	1	100%

¹⁾ No information presented for Stark Group Holding Germany GmbH as the subsidiary has not yet published their first financial statements.

Notes to the Financial Statements

DKKm

Note

11 Share capital

The Company's share capital consists of 10,403,718 issued shares of DKK 1 nominal value. There has been no change in the share capital during the last five years.

	<u>2020</u>	<u>2019</u>
12 Proposed distribution of profit:		
Interim dividend	354	-
Final dividend declared	-	261
Retained earnings	(163)	(122)
Total	191	139
13 Payables to related parties		
Due within 1 year	4,397	1,722
Due between 1 and 5 years	124	-
Due more than 5 years	168	-
Deferred tax liabilities as of 31 July	4,689	1,722

14 Assets pledged as security

Shares in the major subsidiaries with a carrying amount of DKK 2,343 million have been pledged as security for external financing in the group company LSF10 Wolverine Investments S.C.A. and the same major subsidiaries are jointly and several liable for Senior Secured Notes and a Term loan B amounting to EUR 832m equal to DKK 6,194 million (31 July 2019: EUR 515 million equal to DKK 3,846 million) and Senior Revolving Credit facilities agreement with lenders up to EUR 142 million equal to DKK 1,057 million (31 July 2019: EUR 100m equal to DKK 747 million). The Senior Revolving Credit facilities were not drawn as of 31 July 2020.

15 Contingent liabilities

Danish group companies are jointly and severally liable for the tax on the jointly taxed incomes of STARK ApS and other Danish group companies. The total amount of corporation tax payable for the year is disclosed in the annual report of STARK ApS, which is the management company for joint taxation purposes. Moreover, the group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Group's liability.

Notes to the Financial Statements

DKKm	2019/20	2018/19
Note		
16 Operating leases		
	2019/20	2018/19
Due within one year	1	1
Due in two to five years	1	2
Due after 5 years	-	-
Total minimum lease commitments	2	3

17 Related parties

Controlling interest

STARK ApS - CVR No. 39 16 37 64, is the parent company and owns 100% of the share capital of the Company. Ultimately, Mr. John Patrick Grayken controls 94.1% of the share capital and the voting rights and has significant influence.

The Company's other related parties with significant influence comprise LSF10 Wolverine Investments S.C.A., LSF10 Wolverine GP S.à r.l., LSF10 Wolverine Holdings S.à r.l., LSF10 Wolverine Midco S.à r.l., LSF10 Wolverine Topco S.à r.l., SGM Investments 1 S.A., SGM Investments 2 S.A., LSF10 Wolverine MIP WE S.à r.l., Lone Star Capital Investments S.à r.l., LSF10 Wolverine Investments Limited and the Company's Board of Managers. Furthermore, transactions with the respective companies executive boards, supervisory boards and senior employees and their immediate family members are considered related parties. Related parties also include companies where before mentioned persons have significant interests.

Transactions

There have been no transactions with the Board of Directors, the Executive Board, senior officers, significant shareholders, group enterprises or other related parties, except for intercompany transactions and management remuneration. All transactions are made on an arm's length basis.

Consolidated Financial Statements

The Company is included in the Consolidated Financial Statements for STARK ApS.

The Consolidated Financial Statements may be obtained at the following address:

STARK Group A/S, C.F. Richs Vej 115, 2000 Frederiksberg, Denmark

18 Subsequent events

Subsequent to the Balance Sheet date, dividend have been paid to the Parent Company STARK ApS of DKK 1,591m on September 17, 2020. The dividend payment to the Parent Company was financed through dividend received from Stark Group A/S subsidiaries of DKK 2,161m.