

# **LSF10 Wolverine Bidco ApS**

## **Annual Report 2022**

As approved on the Company's Annual General Meeting on 20 December 2022

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Laurits Anton Jorgensen  
Chairperson of the meeting

**1 August 2021 – 31 July 2022**

**CVR No. 39 16 37 64**

LSF10 Wolverine Bidco ApS  
C.F. Richs Vej 115  
2000 Frederiksberg  
Denmark

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# MANAGEMENT'S REVIEW

## FINANCIAL HIGHLIGHTS

EUR million	2021/22	2020/21	2019/20	2018/19	2017/18 <sup>1</sup>
<b>Income Statement</b>					
Dividends from subsidiary	252	1,428	82	35	35
Earnings before interest and tax (EBIT)	251	1,427	82	34	34
Financial items, net	16	(32)	(59)	(46)	(18)
Earnings before tax	267	1,395	23	(12)	17
Earnings for the year	264	1,398	25	(10)	17
<b>Balance sheet</b>					
Investments in subsidiaries	18	1,080	1,080	1,076	1,084
Total Assets	1,360	1,093	1,163	1,170	1,164
Equity	1,321	1,077	268	182	192

1. 2017/18 is the period from incorporation 14 December 2017 to 31 July 2018 (seven and a half month)

### ACTIVITY

The Company's sole activity is to hold the shares in STARK Sourcing A/S.

### RESULTS IN 2021/22

The Company's income statement for 2021/22 shows a profit of EUR 264m compared to a profit of EUR 1,398m last year. Last year the result for the year included dividends from subsidiary of EUR 1.428m compared to EUR 250m this year.

### SPECIAL RISKS

There are no significant uncertainty or special risks in relation to the Financial Statements.

### SIGNIFICANT UNCERTAINTY REGARDING RECOGNITION AND MEASUREMENT

There is no significant uncertainty regarding recognition and measurement in the Financial Statements.

### DATA ETHICS

With reference to the Danish Financial Statements Act § 99d, the Company has not described the politic for data ethics. Reference is made to the consolidated financial statements of the Parent Company and its subsidiaries in the Annual Report 2022 for STARK Group A/S.

### CORPORATE SOCIAL RESPONSIBILITY

In LSF10 Wolverine Bidco ApS the Executive Board's gender balance is 2/3. The Executive Board consisted of 33% women (two out of six). The Company continuously works to adjust the gender balance of the Company.

The full corporate social responsibility statement of LSF10 Wolverine Bidco ApS 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 2022 and can be found through Stark Group's webpage at the following address: [www.starkgroup.dk/newsroom/publications](http://www.starkgroup.dk/newsroom/publications)

### OUTLOOK

As the sole activity for the Company is to hold the shares in STARK Sourcing A/S, the outlook for 2022/23 depends on the dividends received from this company.

# MANAGEMENT'S STATEMENT ON THE FINANCIAL STATEMENTS

The Executive Board have today considered and adopted the Annual Report of LSF10 Wolverine Bidco ApS for the financial year 1 August 2021 to 31 July 2022.

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 2022 and of the results of the financial year 1 August 2021 - 31 July 2022.

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.

Frederiksberg, 20 December 2022.

## Executive Board

Christoffer Helsengreen Sjøqvist

Philip Bendorff Røpcke

Søren P. Olesen

Sisse Fjelsted Rasmussen

Lene Kjærbo Groth

Laurits Anton Jørgensen

# INDEPENDENT AUDITOR'S REPORT

## TO THE SHAREHOLDER OF LSF10 WOLVERINE BIDCO APS

### Opinion

We have audited the financial statements of for the financial year 1 August 2021 - 31 July 2022, 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 31 July 2022 and of the results of its operations for the financial year 1 August 2021 - 31 July 2022 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 for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. 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:

- 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 Review**

Management is responsible for the Management Review.

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

Based on the work we have performed, we conclude that the Management 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 the Management Review.

Copenhagen, 20 December 2022

#### **Deloitte**

Statsautoriseret Revisionspartnerselskab  
CVR No. 33 96 35 56

#### **Anette Beltrão-Primdahl**

State Authorised Public Accountant  
Identification No (MNE) mne45854

#### **Özgün Acigora**

State Authorised Public Accountant  
Identification No (MNE) mne48478

# INCOME STATEMENT

EUR million	Note	2021/22	2020/21
Income from investments in subsidiaries	2.1	252	1,428
<b>Income from investments in subsidiaries</b>		<b>252</b>	<b>1,428</b>
Other external operating expenses		(1)	(1)
<b>Earnings before interest, tax, depreciation and amortisation (EBITDA)</b>		<b>251</b>	<b>1,427</b>
<b>Earnings before interest and tax (EBIT)</b>		<b>251</b>	<b>1,427</b>
Financial income	2.2	17	4
Financial expenses	2.2	(1)	(36)
<b>Earnings before tax</b>		<b>267</b>	<b>1,395</b>
Tax for the period	2.3	(3)	3
<b>Earnings for the year</b>		<b>264</b>	<b>1,398</b>
<b>Proposed distribution of earnings:</b>			
Extraordinary dividend paid		20	590
Dividend declared		1,310	-
Retained earnings		(1,066)	808
<b>Total</b>		<b>264</b>	<b>1,398</b>

# STATEMENT OF FINANCIAL POSITION

## ASSETS

EUR million	Note	31 July 2022	31 July 2021
<b>Financial non-current assets</b>			
Investments in subsidiaries	3.1	18	1,080
Receivables from group enterprises	3.2	1,327	-
<b>Total financial non-current assets</b>		<b>1,345</b>	<b>1,080</b>
<b>Total non-current assets</b>		<b>1,345</b>	<b>1,080</b>
<b>Current assets</b>			
Receivables from group enterprises	3.2	5	7
Corporate tax receivables		5	4
Other receivables		4	-
Prepayments		1	1
<b>Total current assets</b>		<b>15</b>	<b>13</b>
<b>TOTAL ASSETS</b>		<b>1,360</b>	<b>1,093</b>

## EQUITY AND LIABILITIES

EUR million	Note	31 July 2022	31 July 2021
<b>Equity</b>			
Share capital	4.1	1	1
Share premium		-	235
Retained earnings		10	841
Dividend		1,310	-
<b>Total equity</b>		<b>1,321</b>	<b>1,077</b>
<b>Current liabilities</b>			
Payables to group enterprises	4.2	39	16
<b>Total current liabilities</b>		<b>39</b>	<b>16</b>
<b>Total liabilities</b>		<b>39</b>	<b>16</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,360</b>	<b>1,093</b>



# STATEMENT OF CHANGES IN EQUITY

EUR million	Share capital	Share premium	Retained earnings	Dividend	Total equity
<b>Equity as of 1 August 2020</b>	1	235	32	-	268
Extraordinary dividend paid on account	-	-	-	(590)	(590)
Earnings for the year	-	-	808	590	1,398
Exchange rate adjustment	-	-	1	-	1
<b>Equity as of 31 July 2021</b>	<b>1</b>	<b>235</b>	<b>841</b>	<b>-</b>	<b>1,077</b>
<b>Equity as of 1 August 2021</b>	1	235	841	-	1,077
Extraordinary dividend paid on account	-	-	-	(20)	(20)
Earnings for the year	-	-	(1,066)	1,330	264
Transfer	-	(235)	235	-	-
<b>Equity as of 31 July 2022</b>	<b>1</b>	<b>-</b>	<b>10</b>	<b>1,310</b>	<b>1,321</b>

## 1.1 BASIS OF REPORTING

### **Basis of Preparation**

The Financial Statements of LSF10 Wolverine Bidco ApS have been prepared in accordance with the provisions of the Danish Financial Statements Act for reporting class C – large companies.

The accounting policies applied remain unchanged from last year.

The Financial Statements are presented in million Euros, which is the presentation currency of the Company.

With reference to the Danish Financial Statements Act § 112, the Company has not presented consolidated financial statements. Further, with reference to the Danish Financial Statements Act § 86,4, the Company has not presented cash flow statement on a stand-alone basis, nor disclosed fee to auditors with reference to Danish Financial statement Act §96.3. Reference is made to the consolidated financial statements of the Parent Company and its subsidiaries in the Annual Report 2022 for STARK Group A/S.

## 1.2 ACCOUNTING POLICIES

### Recognition and measurement

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

Income in the form of dividends 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 consider 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 recognised in the income statement.

### Dividends received from subsidiary

The revenue comprises of dividends received from subsidiary during the financial year.

### Other external operating expenses

Other external expenses comprise operating expenses such as administration and professional services expenses.

### Financial income and expenses

Financial income and expenses comprise interest realised and unrealised exchange gains and losses as well as interest surcharge and interest reimbursements under the Danish Tax Prepayment Scheme.

### Tax on result for the year

The Company is subject to the Danish rules for compulsory joint taxation with the Group's Danish Subsidiaries. Danish subsidiaries are included in joint taxation from the time they are acquired or incorporated by a Danish Group company until the date that control is no longer effective. The Company has until the change of ownership as of 4 May 2021 been the administration company of the Danish joint taxation group and, consequently, settled all payments of corporation tax with the tax authorities. From 4 May 2021 and onwards, STARK Group A/S is the administration company.

The current Danish corporation tax is allocated by settling joint taxation contributions between the jointly taxed companies in proportion to their taxable income. In connection with this, companies with tax losses receive joint taxation contributions from companies that have been able to utilize this loss to reduce their own tax profit/loss.

The tax for the year, consisting of current corporate income tax, the year's joint tax contribution and change in deferred taxes - including as a result of a change in tax rate - are recognised in the income statement with the part attributable to the profit for the year and directly to equity with the part that can be attributable to entries directly in equity. The Company is subject to the Danish Tax Prepayment Scheme. Interest reimbursement and interest surcharge have been recognised in financial income and expenses.

### Investments in subsidiaries

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

### Prepayments

Prepayments comprise costs incurred relating to subsequent financial years.

### Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks.

### Borrowings

Interest-bearing loans from group enterprises 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 period of the borrowings on an effective interest basis.

### Current tax receivables and payables

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

### Equity

Proposed dividend for the financial year is presented as a separate item in equity.

### Liabilities

Liabilities have been measured at amortised cost, which corresponds to nominal value.

## 2.1 INCOME FROM INVESTMENTS IN SUBSIDIARIES

EUR million	2021/22	2020/21
Income from investments in subsidiaries, see note 3.1	252	1,428
<b>Income from investments in subsidiaries</b>	<b>252</b>	<b>1,428</b>

## 2.2 FINANCIAL INCOME AND EXPENSES

EUR million	2021/22	2020/21
<b>Financial income</b>		
Interests on loans to group enterprises	17	3
Foreign exchange gains	-	1
<b>Total financial income</b>	<b>17</b>	<b>4</b>
<b>Financial expenses, net</b>		
Interests on loans from group enterprises	(1)	(36)
<b>Total financial expenses</b>	<b>(1)</b>	<b>(36)</b>

## 2.3 TAX FOR THE YEAR

EUR million	2021/22	2020/21
Current tax	(3)	3
Company tax concerning previous year	0	0
<b>Total tax for the period</b>	<b>(3)</b>	<b>3</b>

### 3.1 INVESTMENTS IN SUBSIDIARIES

EUR million	2021/22	2020/21
Cost at the beginning of the year	1,080	1,080
Disposal	(3)	-
Cost at the end of the year	1,077	1,080
Impairment losses at the beginning of the year	-	-
Impairment for the year <sup>1</sup>	(1,059)	-
Accumulated impairment losses at the end of the year	(1,059)	-
<b>Carrying amount at the end of the year</b>	<b>18</b>	<b>1,080</b>

2021/22 EUR million	Result for 2021/22	Equity as of 31 July 2022	Registered office	Voting and ownership share
STARK Sourcing A/S	EUR 11m	EUR 18m	Frederiksberg, Denmark	100%

- 1) The company has received EUR 1,311m in dividend from STARK Sourcing A/S during the financial year. EUR 1,059m of this has been used for impairment of the carrying value to the net asset value in STARK Sourcing A/S as of 31 July 2022 and the remaining amount, EUR 252m, has been taken to the profit and loss account and presented on one line for income from investments in subsidiaries.

### 3.2 RECEIVABLES FROM GROUP ENTERPRISES

EUR million	31 July 2022	31 July 2021
Within 1 year	5	7
Between 1 and 5 years	1,327	-
After 5 years	-	-
<b>Carrying amount</b>	<b>1,332</b>	<b>7</b>

Receivables from group enterprises amounts to EUR 1,332m as of 31 July 2022 and is mainly related to

dividend received from STARK Sourcing A/S as a loan note.

## 4.1 SHARE CAPITAL

The company's share capital consists of 11,000,000 issues shares of DKK 1 nominal value, which is unchanged compared to last year.

## 4.2 PAYABLES TO GROUP ENTERPRISES

EUR million	31 July 2022	31 July 2021
Within 1 year	39	16
Between 1 and 5 years	-	-
After 5 years	-	-
<b>Carrying amount</b>	<b>39</b>	<b>16</b>

Payables to group enterprises amounts to EUR 39m as of 31 July 2022 and is partly related to Company's participation in the cash pool arrangement owned by the parent company and partly by a loan from the parent company which will be repaid in FY23.

## 5.1 CONTINGENT LIABILITIES

Danish group companies are jointly and severally liable for the tax on the jointly taxed incomes of Stark Group A/S and other Danish group companies. The total amount of corporation tax payable for the year is disclosed in the annual report of Stark Group A/S, 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.

## 5.2 SECURITIES

The shares in the subsidiary with a carrying amount of EUR 16m have been pledged as security for external financing obtained by the parent company's single shareholder Winterfell Financing S.à r.l. and the same subsidiary is jointly and several liable for a Term loan B

amounting to EUR 1,345m and Senior Revolving Credit facilities agreement with lenders up to EUR 200m. The Senior Revolving Credit facilities were not drawn as of 31 July 2022.

## 5.3 RELATED PARTIES

### Controlling interest

STARK Group A/S is the parent company and owns 100% of the share capital of the Company. The ultimate shareholders of the company are limited partnerships with CVC Capital Partners VII Limited acting as General Partner.

Related parties are considered to be the parent company STARK Group A/S and its subsidiaries.

Other related parties with significant influence over STARK Group A/S comprise Winterfell Financing S.à r.l., Winterfell S.à r.l., Winterfell Investments S.à r.l., Winterfell Holdings S.à r.l., Winterfell ManCo I S.A., Winterfell ManCo II S.A., Winterfell Topco S.à r.l. and the Companies' Board of Managers. Furthermore, transactions with the respective companies' Executive Boards, Supervisory Boards and senior employees and their immediate family members are included. Related parties also include companies where the mentioned persons have significant interests.

## 5.3 RELATED PARTIES - CONTINUED

There have been no transactions with the Executive Board, Executive Management, significant shareholders, group enterprises or other related parties, except for intercompany transactions. All transactions are made on an arm's length basis and, according to the Danish Financial Statements Act §98c, 7, they are not disclosed.

The Company and its subsidiary are included in the consolidated financial statements of STARK Group A/S as the smallest group and Winterfell Topco S.à r.l. as the largest group.

The consolidated annual reports can be obtained at the following addresses:

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

Winterfell Topco S.à r.l.  
20, avenue Monterey  
L-2163 Luxembourg  
R.C.S. Luxembourg: B 250.784

## 5.4 SUBSEQUENT EVENTS

No events have occurred after the balance sheet date that materially affect the Company's financial statements.



# COMPANY INFORMATION

<b>Company</b>	LSF10 Wolverine Bidco ApS C.F. Richs Vej 115 2000 Frederiksberg Denmark  CVR No. 39 16 37 64  Financial year: 1 August – 31 July  Incorporated: 14 December 2017  5 <sup>th</sup> financial year
<b>Executive Board</b>	Christoffer Helsengreen Sjöqvist Philip Bendorff Røpcke Søren Peschardt Olesen Sisse Fjelsted Rasmussen Lene Kjærbo Groth Laurits Anton Jørgensen
<b>Auditor</b>	Deloitte Statsautoriseret Revisionspartnerselskab
<b>Annual General Meeting</b>	20 December 2022