



DON AGRO INTERNATIONAL LIMITED
(Company Registration No. 201835258H)
(Incorporated in the Republic of Singapore)

**PROPOSED ACQUISITION OF 812 CAPITAL LLC AND CENTRE FOR INNOVATIVE
MEDICAL TECHNOLOGIES, LLC**

1. Introduction

The board of directors (the “**Board**”) of Don Agro International Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to announce to shareholders of the Company (the “**Shareholders**”) that JSC Tetra, a wholly-owned subsidiary of the Company (“**Tetra**”) had, on 6 September 2024, entered into the following agreements in respect of the proposed acquisition of 99.99% of the shares in 812 Capital LLC (“**812 Capital LLC**”) and 11.50%¹ of the shares in Centre for Innovative Medical Technologies, LLC (“**CIMT, LLC**”) (together with their respective subsidiaries, the “**Target Group**”) from Mr. Khvicha Akubardia (“**Vendor 1**”) and Mr. Aleksander Sviridov (“**Vendor 2**”) (collectively, the “**Vendors**” and together with Tetra, the “**Parties**” and each a “**Party**”):

- (a) in relation to Tetra’s proposed acquisition of 1.00% of the shares in 812 Capital LLC (“**Minority Stake**”) (“**Minority Stake Acquisition**”), a definitive sale and purchase agreement (“**Minority Stake Agreement**”) with the Vendors setting out the terms and conditions of the Minority Stake Acquisition. It is the intention of the Parties to expediently complete the Minority Stake Acquisition which will allow the Group the rights to participate in the management of the Target Group so as to better understand the operations of the Medical Business (as defined below).

The Minority Stake Acquisition constitutes as a non-disclosable transaction under Chapter 10 of the Listing Manual Section B: Rules of Catalist (the “**Catalist Rules**”) of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) as the relative figures as computed pursuant to Rule 1006 of the Catalist Rules amount to 5.0% or less;

- (b) in relation to Tetra’s proposed acquisition of the aggregate of the balance 98.99% of the shares in 812 Capital LLC (“**Balance Stake Acquisition**”, and together with the Minority Stake Acquisition, the “**812 Capital Acquisition**”):
- (i) a preliminary sale and purchase agreement (“**Balance Stake Preliminary Agreement**”) with the Vendors to set out the key terms on which Tetra and the Vendors will enter, subject to the satisfaction of the Target Group Conditions Precedent (as defined below), into the main sale and purchase agreement (“**Balance Stake Main Agreement**”) for the acquisition of 89.01% of the shares in 812 Capital LLC (“**Balance Stake of 89.01%**”) (“**Balance Stake of 89.01% Acquisition**”);
- (ii) option agreements with Vendor 1 for: (A) Vendor 1 to grant an irrevocable call option to Tetra to purchase 9.98% of the shares in 812 Capital LLC from Vendor 1 (“**Balance Stake of 9.98%**”) (“**Call Option Agreement**”); and (B) Tetra to grant

¹ 812 Capital LLC and Medicom LLC holds the remaining 28.44% and 60.06% of the shares in CIMT, LLC respectively, prior to the Proposed Acquisitions. After the Proposed Acquisitions, Tetra, 812 Capital LLC and Medicom LLC will collectively own all of the shares in CIMT, LLC.

an irrevocable put option to Vendor 1 to sell the Balance Stake of 9.98% to Tetra (“**Put Option Agreement**” and together with the Call Option Agreement, the “**Option Agreements**”) (“**Balance Stake of 9.98% Acquisition**”); and

(iii) a share pledge agreement with the Vendors in relation to the Balance Stake of 89.01%, pursuant to which the Vendors pledged, in aggregate, the Balance Stake of 89.01% to Tetra (“**Pledge Agreement**”). The Pledge Agreement is intended to primarily serve as security for the completion of the Balance Stake of 89.01% Acquisition and the Consideration Advance Payments (as defined below); and

(c) in relation to Tetra’s proposed acquisition of 11.50% of the shares in CIMT, LLC (“**CIMT Stake**”) (“**CIMT Acquisition**”), a preliminary sale and purchase agreement (“**CIMT Stake Preliminary Agreement**”) to set out the key terms on which Tetra and the Vendors will enter, subject to the satisfaction of the Target Group Conditions Precedent (as defined below), into the main sale and purchase agreement (“**CIMT Stake Main Agreement**”) for the CIMT Acquisition.

The 812 Capital Acquisition and the CIMT Acquisition (the “**Proposed Acquisitions**”) constitutes a “very substantial acquisition” by the Company as defined under Chapter 10 of the Catalyst Rules. Accordingly, the Proposed Acquisitions will be subject to, amongst others, the approval of the Shareholders.

2. Information on the Vendors

2.1 Vendor 1

Vendor 1 is an individual based in the Russian Federation (“**Russia**”). As at the date of this announcement, Vendor 1 owns approximately 70.01% of the shares in 812 Capital LLC and 10.00% of the shares in CIMT, LLC.

2.2 Vendor 2

Vendor 2 is an individual based in Russia. As at the date of this announcement, Vendor 2 owns approximately 20.00% of the shares in 812 Capital LLC and 1.50% of the shares in CIMT, LLC.

2.3 As at the date of this announcement, the Vendors are independent third parties that do not hold any shares of the Company and are not related to the Company, the Group, the directors of the Company (“**Directors**”) or the controlling shareholders of the Company.

3. Information on the Target Group

3.1 Corporate Information

The Target Group is a federal network of expert oncology clinics operating under the “*Euroonco*” brand and provides a full range of cancer diagnostics and treatment services, such as, *inter alia*, surgical interventions of any complexity and all types of antitumor and palliative treatment (the “**Medical Business**”). The Target Group is equipped with the ability to accommodate patients in wards with equipment for the patient’s rehabilitation, and has expert oncology clinics and information and service centres in Moscow, Saint Petersburg, Nizhny Novgorod and Krasnodar. The medical centre in Moscow provides round-the-clock patient care with 42 beds, a full-fledged intensive care unit and two operating theatres. The medical centre in Saint Petersburg offers an inpatient facility of 14 beds and modern methods of diagnosis and treatment of oncological diseases. The clinic in Krasnodar provides consultations and chemotherapy, while the clinic in Nizhny Novgorod provides outpatient services. All of the clinics and medical centres operated by the Target Group use the latest original anti-tumor drugs with proven effectiveness and the treatment is carried out in strict compliance with the latest international protocols and/or

recommendations of the European Society for Medical Oncology and other reputable professional medical communities.

812 Capital LLC is a company limited by shares incorporated in Russia. As at the date of this announcement, 812 Capital LLC has an issued share capital of Russian Ruble (“**RR**”) 10,000.00 (equivalent to approximately S\$143.88²). 812 Capital LLC is the holding company of the Target Group.

CIMT, LLC is a company limited by shares incorporated in Russia. As at the date of this announcement, CIMT, LLC has an issued share capital of RR 48,979,604.39 (equivalent to approximately S\$704,727.61²). CIMT, LLC is principally engaged in hospital activities.

Please refer to Appendix 1 for the current group structure of the Target Group.

3.2. Financial Information

Based on the unaudited management accounts of the Target Group for the financial year ended 31 December 2023 prepared in accordance with the Russian accounting framework:

- (a) the aggregate book value and net tangible asset value of the Target Group is approximately RR 77,745,000.00 (equivalent to approximately S\$1,118,609.45²); and
- (b) the net profits attributable to the Target Group is approximately RR 497,626,000.00 (equivalent to approximately S\$7,819,829.57³).

Please refer to Appendix 2 for a summary of the key financial information of the Target Group. There is no open market value for the Target Group as they are not publicly traded.

4. **Rationale for the Proposed Acquisitions**

Following the entry into the respective final sale and purchase agreements to effect the disposal of its operating agricultural business and business assets on 5 July 2024 (the “**Disposals**”), the Company is deemed to be a cash company as defined under Rule 1017 of the Catalist Rules. Under Rule 1017(2) of the Catalist Rules, the SGX-ST will proceed to remove an issuer from the Official List if it is unable to meet the requirements for a new listing within twelve (12) months from the time it becomes a cash company.

The Board believes that the Proposed Acquisitions are in the interests of the Company and that the Target Group’s business will provide the Company with the necessary recurrent business activities going forward and to meet the requirements for a new listing.

Based on the analysis of the Russian market of paid medical services and oncological research performed by the independent valuer appointed by the Group in connection of the Proposed Acquisitions, the private healthcare market in the Commonwealth of Independent States, especially in Russia, is experiencing dynamic growth and development. According to Federal State Statistics Service of Russia, the volume of services provided by private healthcare in Russia increased by 11.2% year on year and reached RR 1.36 trillion (equivalent to approximately S\$19.51 billion²) in 2023. State funding on medicine amounted to at least RR 3.96 trillion (equivalent to approximately S\$56.98 billion²) in the same period. The most demanded medical services were laboratory tests, consultations with general practitioners, and diagnostic tests (ultrasound diagnostics and others).

²Based on the exchange rate of S\$1.00 = RR 69.5015 as at 6 September 2024 as extracted from S&P Capital IQ.

³Based on the average exchange rate of S\$1.00 = RR 63.6364 for the financial year ended 31 December 2023 as extracted from S&P Capital IQ.

The increase in cancer morbidity primarily reflects the greater availability of diagnostic services and the corresponding improvements in quality⁴. For instance, in 2012, cancer was detected in approximately 50.5% of cases at stages I and II and subsequently improved to 57.9% in 2021. In the same period, the proportion of stage III cancer cases detected decreased from approximately 21.5% to approximately 17.2%, while the proportion of stage IV cases detected decreased from approximately 21.2% to 20.5%⁴.

According to Russian state medical statistics⁴, from 2012 to 2021, the total number of registered patients diagnosed with cancer undergoing drug therapy increased by 2.09 times. The contribution of drug therapy to improving cancer treatment outcomes is notable, though the role of surgical and radiation therapy also remains crucial. The number of patients undergoing drug therapy increased especially noticeably in the period from 2016 to 2021 – from approximately 249,200 patients to 432,400 patients. In 2023, RR 369.5 billion (equivalent to approximately S\$5.32 billion²) were allocated by the state for oncological medical care in inpatient and day hospitals within the framework of territorial and basic compulsory medical insurance programs, which is approximately 13.0% higher than 2022 of RR 327.1 billion (equivalent to approximately S\$4.71 billion²), and approximately two times higher than the 2019 of RR 185.7 billion (equivalent to approximately S\$2.67 billion²).

In 2023, a total of approximately 3.78 million cases of treatment was provided to oncology patients in Russia, which is 56.8% higher than 2019 (approximately 2.41 million cases) and 4.7% higher than 2022 (approximately 3.61 million cases)⁴.

The Board has always maintained the position that the Group is a socially responsible business and sees its mission as contributive to the sustainable development of society. Therefore, the reorientation of the Group's key business activities to healthcare represents a logical progression in Group's journey and aligns with the best interests of the Company and its Shareholders.

5. Principal Terms of the Proposed Acquisitions

5.1 Target Group Consideration

The aggregate consideration payable by Tetra to the Vendors for the Proposed Acquisitions is RR 3,035,000,000.00 (equivalent to approximately S\$43,668,141.75²) ("**Target Group Consideration**") comprising:

Minority Stake Acquisition

- (a) RR 30,000,000.00 (equivalent to approximately S\$431,645.55²) as consideration for the Minority Stake ("**Minority Stake Consideration**");

Balance Stake Acquisition and CIMT Acquisition

- (b) RR 2,725,000,000.00 (equivalent to approximately S\$39,207,804.37²) as consideration for the Balance Stake of 89.01% ("**Balance Stake of 89.01% Consideration**");
- (c) RR 160,000,000.00 (equivalent to approximately S\$2,302,109.61²) as consideration for the Balance Stake of 9.98% ("**Balance Stake of 9.98% Consideration**"); and
- (d) RR 120,000,000.00 (equivalent to approximately S\$1,726,582.21²) as consideration for the CIMT Stake ("**CIMT Stake Consideration**").

The Target Group Consideration shall be payable by Tetra to the Vendors in the following manner:

⁴ Extracted from: Information and analytical publication "Together Against Cancer" as extracted from the Preliminary Valuation Report (as defined herein).

- (a) the Minority Stake Consideration shall be paid in full in the form of letters of credit issued by PJSC Sberbank Moscow in favour of the relevant Vendors ("**812 Capital Letters of Credit**");
- (b) the Balance Stake of 89.01% Consideration shall be paid in the following manner:
 - (i) a portion of the Balance Stake of 89.01% Consideration in the amount of RR 1,680,000,000.00 (equivalent to approximately S\$24,127,150.95²) and RR 420,000,000.00 (equivalent to approximately S\$6,043,037.74²) ("**Consideration Advance Payments**") shall be paid as advance payments in the form of the 812 Capital Letters of Credit subject to the approval by the SGX-ST on the Company's waiver application in relation to the escrow requirements under Catalist Rule 1017(1)(a) dated 22 August 2024 ("**Waiver Application**");
 - (ii) a part of the remaining portion of the Balance Stake of 89.01% Consideration in the amount of RR 120,000,000.00 (equivalent to approximately S\$1,726,582.21²) and RR 30,000,000.00 (equivalent to approximately S\$431,645.55²) shall be paid in the form of wire transfers to Vendor 1's and Vendor 2's bank account within 5 (five) business days from the date of entry in the Unified State Register of Legal Entities, according to which the Balance Stake of 89.01% are registered in favor of Tetra; and
 - (iii) a part of the remaining portion of the Balance Stake of 89.01% Consideration in the amount of RR 475,000,000.00 (equivalent to approximately S\$6,834,387.92²) representing a part of the Balance Stake of 89.01% Consideration due to Vendor 2 shall be paid in the form of a wire transfer to CIMT's bank account as the payment under the Vendors' instruction within 5 (five) business days from the Balance Stake and CIMT Completion Date (as defined below) and this payment;
- (c) the Balance Stake of 9.98% Consideration shall be paid in the form of wire transfer to Vendor 1's bank account within 10 (ten) business days from the date of entry in the Unified State Register of Legal Entities, according to which the Balance Stake of 9.98% are registered in favor of Tetra; and
- (d) the CIMT Stake Consideration shall be paid as advance payments in the form of the letters of credit issued by PJSC Sberbank Moscow in favour of the relevant Vendors subject to approval of the Waiver Application;

The Consideration Advance Payments and payment of the CIMT Stake Consideration are refundable payments and shall be repaid by the Vendors in favor of Tetra within five (5) business days from the date of termination of the Balance Stake Preliminary Agreement and the CIMT Stake Preliminary Agreement (provided that the abovementioned agreements are not terminated as a result of the completion of the respective Balance Stake Main Agreement and the CIMT Stake Main Agreement).

The Target Group Consideration was arrived at on a willing-buyer and willing-seller basis after arm's length negotiations, taking into account, *inter alia*, the (i) market value of the key assets of the Target Group; (ii) Preliminary Valuation (as defined below); (iii) net profits after tax recorded in the unaudited management accounts of the Target Group prepared in accordance with the Russian accounting framework; and (iv) prevailing economic conditions.

5.2 Completion

Completion of the Minority Stake Acquisition

The completion of the Minority Stake Acquisition has taken place on 6 September 2024, on the date when the Minority Stake Agreement was executed by the Parties before a notary public in Russia ("**Minority Stake Completion Date**").

Completions of the Balance Stake of 89.01% Acquisition and the CIMT Acquisition

According to the terms of the Balance Stake Preliminary Agreement and the CIMT Stake Preliminary Agreement:

- (a) within three (3) business days from the date of the Vendors' notification of the satisfaction of the Vendors' Conditions Precedent (as defined below), notices shall be sent by Tetra to the Vendors notifying the Vendors of the date of completion of the Balance Stake Main Agreement and the CIMT Stake Main Agreement ("**Balance Stake and CIMT Completion Date**");
- (b) on the Balance Stake and CIMT Completion Date, Tetra and the Vendors shall enter into the Balance Stake Main Agreement and the CIMT Stake Main Agreement before a notary public in Russia;
- (c) Tetra and the Vendors undertake to ensure that the Target Group Conditions Precedent for which the relevant party is responsible are fulfilled on or before 28 February 2026 ("**Limit Date**") but in the event of a failure to satisfy any of the Target Group Conditions Precedent, Tetra and the Vendors can separately agree in writing to a new Limit Date ("**New Limit Date**"); and
- (d) in the event of a failure to satisfy any of the Target Group Conditions Precedent by the Limit Date (or New Limit Date, if any) and Tetra and the Vendors have not agreed on a New Limit Date, the Balance Stake Preliminary Agreement and the CIMT Stake Preliminary Agreement shall cease and terminate on the business day following the Limit Date or New Limit Date, whichever is applicable.

Completion of the acquisition of the Balance Stake of 9.98%

According to the terms of the Option Agreements:

- (a) the completion of the Balance Stake of 9.98% Acquisition shall take place after: (i) the Minority Stake Completion Date; (ii) the Balance Stake and CIMT Completion Date; (iii) the exercise by Tetra of the call option to purchase the Balance Stake of 9.98% granted by Vendor 1 under the Call Option Agreement or the exercise by Vendor 1 of the put option to sell the Balance Stake of 9.98% under the Put Option Agreement granted by Tetra; and (iv) on the date of entry in the Unified State Register of Legal Entities, according to which the Balance Stake of 9.98% are registered in favor of Tetra; and
- (b) Either Tetra or Vendor 1 is entitled to exercise the call option or put option (whichever is applicable) granted under the relevant Option Agreement on any day of the period of fourteen (14) months from the date of the relevant Option Agreement subject to the occurrence of the following conditions:
 - (i) Vendor 1 is the owner of at least 9.98% of the shares in 812 Capital LLC; and
 - (ii) Tetra is the owner of at least 89.01% of the shares in 812 Capital LLC.

5.3 Target Group Conditions Precedent

The execution of the Balance Stake Main Agreement pursuant to the Balance Stake Preliminary Agreement and execution of the CIMT Stake Main Agreement pursuant to the CIMT Stake Preliminary Agreement is conditional upon the satisfaction of certain conditions precedent, including but not limited to the following (“**Target Group Conditions Precedent**”):

- (a) Tetra obtaining consent from the Federal Antimonopoly Service of Russia being received for the Proposed Acquisitions;
- (b) the Company obtaining Shareholder approval for the Proposed Acquisitions at an extraordinary general meeting to be held; and
- (c) after satisfaction of the Conditions Precedent listed in paragraphs 5.3(a) and 5.3(b) above and receipt of the relevant notice, Vendor 1 obtaining a covered irrevocable letter of credit in favor of SBI on the following terms and conditions (“**Vendors’ Condition Precedent**”):
 - (i) payer under the letter of credit: Vendor 1;
 - (ii) issuing bank: Sberbank PJSC or another bank in Russia in the event of Sberbank PJSC's refusal to open a letter of credit for Vendor 1;
 - (iii) nominated bank: the same as the issuing bank unless otherwise provided for by the condition of opening the letter of credit;
 - (iv) recipient: Sberbank Investments LLC (execution to a third party is not permitted);
 - (v) type: irrevocable covered (deposited) documentary letter of credit;
 - (vi) validity period: not less than 60 (sixty) calendar days from the date of opening of the letter of credit;
 - (vii) amount: RR 160,000,000.00 (equivalent to approximately S\$2,302,109.61²).
 - (viii) expenses of the issuing bank: all fees and expenses related to opening of the letter of credit shall be borne by Vendor 1;
 - (ix) partial payments under the letter of credit are not permitted; and
 - (x) documents against which the letter of credit is disclosed (executed): the original extract from the Unified State Register of Legal Entities in relation to 812 Capital LLC, in which Vendor 1 is not indicated in the section "information on participants / founders of the legal entity".

5.4 Termination

Each of the Balance Stake Preliminary Agreement and the CIMT Stake Preliminary Agreement (each a “**Relevant Agreement**” for the purposes of this paragraph 5.4) (terminates upon the occurrence of any of the following events (whichever is earlier)):

- (a) upon completion of the Balance Stake Main Agreement (in the case of the Balance Stake Preliminary Agreement) or the CIMT Stake Main Agreement (in the case of the CIMT Stake Preliminary Agreement) by the Parties – on the date of conclusion of the Main Agreement 1;
- (b) upon termination of the CIMT Stake Preliminary Agreement (in the case of the Balance Stake Preliminary Agreement) or the Balance Stake Preliminary Agreement (in the case

of the CIMT Stake Preliminary Agreement) by mutual consent in writing of the Parties – on the date specified in such agreement between the Parties;

- (c) on the business day following the Limit Date (New Limit Date if applicable) unless all Conditions Precedent have been satisfied; and
- (d) upon cancellation or termination (for any reason) of the CIMT Stake Preliminary Agreement (in the case of the Balance Stake Preliminary Agreement) or the Balance Stake Preliminary Agreement (in the case of the CIMT Stake Preliminary Agreement), if the date of cancellation or termination of one Relevant Agreement occurs before the date of completion of the other Relevant Agreement – on the date on which the CIMT Stake Preliminary Agreement (in the case of the Balance Stake Preliminary Agreement) or the Balance Stake Preliminary Agreement (in the case of the CIMT Stake Preliminary Agreement) is deemed to be cancelled or terminated.

5.5 Valuation of the Target Group

Pursuant to Rule 1015(2) of the Catalist Rules, the Company must appoint a competent and independent valuer to value the Target Group as one of the relative figures computed on the bases set out in Rule 1006 of the Catalist Rules is 100% or more and the Proposed Acquisitions is classified as a “very substantial acquisition” by the Company as defined under Chapter 10 of the Catalist Rules.

In connection with the Proposed Acquisitions, the Company will appoint a suitable firm (the “**Valuer**”), as the independent valuer to value the Target Group. The final valuation report will be prepared before the Company’s extraordinary general meeting to be held to approve the Proposed Acquisitions, and the Company will include a summary of the independent valuation (“**Summary Valuation Letter**”) in the Shareholders’ circular (“**Circular**”) in respect of the Proposed Acquisitions. The Summary Valuation Letter will provide the Shareholders an independent view of the market value of the Target Group.

Based on a preliminary valuation dated 16 July 2024 (“**Preliminary Valuation Report**”) using the income and cost approach as the primary methodology conducted by an independent valuer, FCG, LLC, the indicative 100.0% equity value of the Target Group as at 31 March 2024 (“**Valuation Date**”) is approximately RR 3,226,378,000.00 (equivalent to approximately S\$47,029,427.44⁵) (“**Preliminary Valuation**”).

Based on the Preliminary Valuation Report, the Target Group Consideration represents a discount of approximately 5.93% to the Preliminary Valuation.

6. **Funding of the Proposed Acquisition**

The Proposed Acquisitions are intended to be funded entirely by the internal cash resources of the Company. The Company will use proceeds from the Disposals in relation to the Group’s agricultural business for the Proposed Acquisitions.

7. **Relative Figures under Rule 1006 of the Catalist Rules**

The relative figures for the (i) Minority Stake Acquisition; and (ii) the Balance Stake Acquisition and the CIMT Acquisition computed on the applicable bases set out in Rule 1006 of the Catalist Rules, based on the latest announced consolidated financial statements of the Group for the financial year ended 30 June 2024 (being the latest announced consolidated accounts of the Group), are as follows:

⁵ Based on the exchange rate of S\$1.00 = RR 68.6034 as at the Valuation Date as extracted from S&P Capital IQ.

7.1 Minority Stake Acquisition

Rule	Bases of computation	Relative figure for Minority Stake Acquisition
1006(a)	The net asset value of the assets to be disposed of, compared with the group's net asset value.	Not applicable ⁽¹⁾
1006(b)	The net profits attributable to the assets acquired or disposed of, compared with the group's net profits ⁽²⁾ .	(2.11)% ⁽²⁾
1006(c)	The aggregate value of the consideration given or received, compared with the issuer's market capitalisation based on the total number of issued shares excluding treasury shares.	1.47% ⁽³⁾
1006(d)	The number of equity securities issued by the issuer as consideration for an acquisition, compared with the number of equity securities previously in issue.	Not applicable ⁽⁴⁾
1006(e)	The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the group's proved and probable reserves. This basis is applicable to a disposal of mineral, oil or gas assets by a mineral, oil and gas company, but not to an acquisition of such assets. If the reserves are not directly comparable, the Exchange may permit valuations to be used instead of volume or amount.	Not applicable ⁽⁵⁾

Notes:

- (1) Rule 1006(a) Catalyst Rules is not applicable to an acquisition of assets.
- (2) The relative figure for Rule 1006(b) has been computed based on the (i) 1.0% of the pro-rated six-month net profit attributable to the Target Group of approximately RR 2,488,130.00 (full year: RR 4,976,260.00) (equivalent to approximately S\$36,895.06 (full year: S\$73,790.12) based on the average exchange rate of S\$1.00 = RR 67.4380 for 1H2024 as extracted from S&P Capital IQ) for the six-month financial period ended 30 June 2024; and (ii) the Group's net loss of approximately S\$1,751,000.00 for the six-month financial period ended 30 June 2024.
- (3) The relative figure for Rule 1006(c) has been computed based on (i) the market capitalisation of the Company as at 5 September 2024 as determined by the number of shares in issue (excluding treasury shares) multiplied by the weighted average price of the shares of the Company on the market date preceding the SPA as extracted from S&P Capital IQ; and (ii) the Minority Stake Consideration.
- (4) This basis is not applicable to the Proposed Acquisitions as no equity securities is to be issued as part of the consideration for the Proposed Acquisitions.
- (5) Rule 1006(e) of the Catalyst Rules is not applicable as the Company is not a mineral, oil and gas company.

As the applicable relative figures do not exceed 5.0%, the Minority Stake Acquisition constitutes as a non-disclosable transaction under Chapter 10 of the Catalyst Rules.

7.2 Balance Stake Acquisition and CIMT Acquisition

Rule	Bases of computation	Relative figure for the Balance Stake Acquisition and CIMT Acquisition
1006(a)	The net asset value of the assets to be disposed of, compared with the group's net asset value.	Not applicable ⁽¹⁾
1006(b)	The net profits attributable to the assets acquired or disposed of, compared with the group's net profits ⁽²⁾ .	(208.58)% ⁽²⁾⁽³⁾
1006(c)	The aggregate value of the consideration given or received, compared with the issuer's market capitalisation based on the total number of issued shares excluding treasury shares.	147.55% ⁽³⁾⁽⁴⁾
1006(d)	The number of equity securities issued by the issuer as consideration for an acquisition, compared with the number of equity securities previously in issue.	Not applicable ⁽⁵⁾
1006(e)	The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the group's proved and probable reserves. This basis is applicable to a disposal of mineral, oil or gas assets by a mineral, oil and gas company, but not to an acquisition of such assets. If the reserves are not directly comparable, the Exchange may permit valuations to be used instead of volume or amount.	Not applicable ⁽⁶⁾

Notes:

- (1) Rule 1006(a) Catalyst Rules is not applicable to an acquisition of assets.
- (2) The relative figure for Rule 1006(b) has been computed based on the (i) 98.99% of the pro-rated six-month net profit attributable to the Target Group of approximately RR246,299,988.70 (full year: RR 492,599,977.40) (equivalent to approximately S\$3,652,241.98 (full year: S\$7,304,483.95) based on the average exchange rate of S\$1.00 = RR 67.4380 for 1H2024 as extracted from S&P Capital IQ) for the six-month financial period ended 30 June 2024; and (ii) the Group's net loss of approximately S\$1,751,000.00 for the six-month financial period ended 30 June 2024.
- (3) The relative figures for Rule 1006(b) and 1006(c), when computed for the Proposed Acquisitions comprising the (i) Minority Stake Acquisition; (ii) Balance Stake Acquisition; and (iii) CIMT Acquisition will be (210.69)% and 149.02% respectively.
- (4) The relative figure for Rule 1006(c) has been computed based on (i) the market capitalisation of the Company as at 5 September 2024 as determined by the number of shares in issue (excluding treasury shares) multiplied by the weighted average price of the shares of the Company on the market date preceding the SPA as extracted from S&P Capital IQ; and (ii) the aggregate of Balance Stake of 89.01% Consideration, Balance Stake of 9.98% Consideration and the CIMT Stake Consideration.
- (5) This basis is not applicable to the Proposed Acquisitions as no equity securities is to be issued as part of the consideration for the Proposed Acquisitions.
- (6) Rule 1006(e) of the Catalyst Rules is not applicable as the Company is not a mineral, oil and gas company.

As the applicable relative figures exceed 100.0%, the Proposed Acquisitions are therefore a very substantial acquisition under Rule 1015 of the Catalyst Rules. Accordingly, the Proposed

Acquisitions will be conditional upon, *inter alia*, the approval by the Shareholders at a general meeting. As set out in paragraph 5.3(b) above, Shareholders' approval is one of the Target Group Conditions Precedent.

Details of the general meeting in relation to the Proposed Acquisitions will be announced by the Company in due course.

8. Financial Effects of the Proposed Acquisitions

The unaudited pro forma financial effects of the Proposed Acquisitions set out below are for illustrative purposes only and do not necessarily reflect the actual results and financial position of the Group following completion of the Proposed Acquisitions. The unaudited pro forma financial effects are prepared based on (i) the Group's audited financial statements for FY2023; and (ii) the Target Group's unaudited management accounts for FY2023 prepared in accordance with the Russian accounting framework.

For the purposes of illustrating the financial effects of the Proposed Acquisitions, the financial effects have been prepared based on, *inter alia*, the following bases and assumptions:

- (a) that the Proposed Acquisitions had been completed on 31 December 2023 for the purposes of the pro forma financial effect on the net tangible assets (the "NTA") per share of the Group;
- (b) that the Proposed Acquisitions had been completed on 1 January 2023 for the purposes of the pro forma financial effect on loss / earnings per share (the "LPS" or "EPS") of the Group;
- (c) the fair value adjustments on the net assets of the Group, goodwill and intangible asset(s) arising from the Proposed Acquisition, if any, have not been considered for the purpose of computing the financial effects of the Proposed Acquisitions and will be determined on or after the Completion Date (as the case may be), subject to purchase price allocation exercise to be performed pursuant to FRS103 Business Combinations. As the goodwill, intangible asset(s) and fair value adjustments on the net assets will have to be determined at Completion, the net assets of the Group could be materially different from the aforementioned assumption. Any goodwill, intangible asset(s) and fair value adjustments on the net assets arising thereon from the Proposed Acquisitions will be accounted for in accordance with the accounting policies of the Group; and
- (d) that the expenses in connection with the Proposed Acquisition have been disregarded.

8.1 Share Capital and NTA per Share

	Before the Disposals and Proposed Acquisitions	After the Disposals but before the Proposed Acquisitions	After the Disposals and Proposed Acquisitions
NTA (S\$'000)	57,284	142,170	99,620
Number of issued shares	150,272,700	150,272,700	150,272,700
NTA per share (cents)	38.12	94.61	66.29

8.2 LPS/EPS

	Before the Disposals and Proposed Acquisitions	After the Disposals but before the Proposed Acquisitions	After the Disposals and Proposed Acquisitions
Net (loss) / profit after tax (S\$'000)	(3,987)	9,598	17,418
Weighted average number of shares	150,272,700	150,272,700	150,272,700
(LPS) / EPS (cents)	(2.65)	6.39	11.59

8.3 Gearing

	Before the Disposals and Proposed Acquisitions	After the Disposals but before the Proposed Acquisitions	After the Disposals and Proposed Acquisitions
Total debt (S\$'000)	5,910 ⁽¹⁾	-	31,529
Total equity (S\$'000)	57,329 ⁽¹⁾	46,448 ⁽¹⁾	22,863
Gearing ratio (%) ⁽²⁾	10.31%	-	137.90%

Notes:

- (1) Total debt, comprising non-current and current loans and borrowings, and total equity, as extracted from the Company's unaudited financial statements for the period ended 30 June 2024.
- (2) The gearing ratio is derived by dividing total debt by total equity, including non-controlling interests.

9. Interests of Directors and Substantial Shareholders

Save as disclosed in this announcement, none of the Directors and substantial shareholders of the Company or their respective associates has any interest, direct or indirect, in the Proposed Acquisitions, other than through their shareholdings in the Company, if any.

10. Directors' Service Contracts

As at the date of this Announcement, no person is proposed to be appointed as a Director of the Company in connection with the Proposed Acquisitions and no service contracts in relation thereto is proposed to be entered into by the Company. The Company will update Shareholders as and when appropriate if there are any material changes or developments.

11. Financial Adviser

The Company has appointed PrimePartners Corporate Finance Pte. Ltd. as the financial adviser in relation to the Proposed Acquisitions.

12. Moratorium

The existing controlling Shareholder of the Company, Mr Evgeny Tugolukov, will comply with all applicable moratorium requirements under the Catalist Rules in respect of the shares in the Company held by them as at the relevant completion dates of the Proposed Acquisitions.

13. Financial Information of the Target Group and the Enlarged Group

Please refer to Appendix 2 of this announcement for the key financial information of the Target Group for the financial years ended 31 December 2022 and 2023. The key financial information of the Target Group has been extracted from the unaudited management accounts of the Target Group for the relevant financial years.

For illustrative purposes only, a summary of the unaudited pro forma consolidated financial information of the Group and the Target Group following the completion of the Proposed Acquisitions (“**Enlarged Group**”) which have been prepared based on the unaudited consolidated financial statements of the Group and the unaudited management accounts of the Target Group are set out in Appendix 3 of this announcement.

14. Circular to Shareholders

In compliance with the Catalist Rules, the Circular containing, *inter alia*, further details on the Proposed Acquisitions, the Summary Valuation Letter and a notice of EGM to be held, will be issued to Shareholders in due course.

15. Documents Available for Inspection

A copy of the sale and purchase agreements, Option Agreements and the Pledge Agreement referred to in paragraphs 1(a) and 1(b) for the Proposed Acquisitions is available for inspection during normal business hours at the registered office of the Company at 10 Collyer Quay, #10-01 Ocean Financial Centre, Singapore 049315, for a period of three (3) months commencing from the date of this announcement. A copy of the Summary Valuation Letter will be similarly made available for inspection for up to three (3) months from the date of the Circular.

16. Cautionary Statement

Shareholders and potential investors of the Company should note that there is no certainty or assurance as at the date of this announcement that sale and purchase agreements referred to in paragraphs 1(b)(i) and 1(c) will be entered into and options under the Option Agreements will be exercised and the Proposed Acquisitions will be completed.

Shareholders and potential investors of the Company are advised to read this announcement and any further announcements made by the Company carefully. Shareholders and potential investors of the Company are advised to refrain from taking any action with respect to their securities in the Company which may be prejudicial to their interests, and to exercise caution when dealing in the securities of the Company. Shareholders and potential investors of the Company should consult their stockbrokers, bank managers, solicitors or other professional advisers if they have any doubt about the actions they should take.

By Order of the Board

Marat Devlet-Kildeev
Chief Executive Officer and Executive Director

12 September 2024

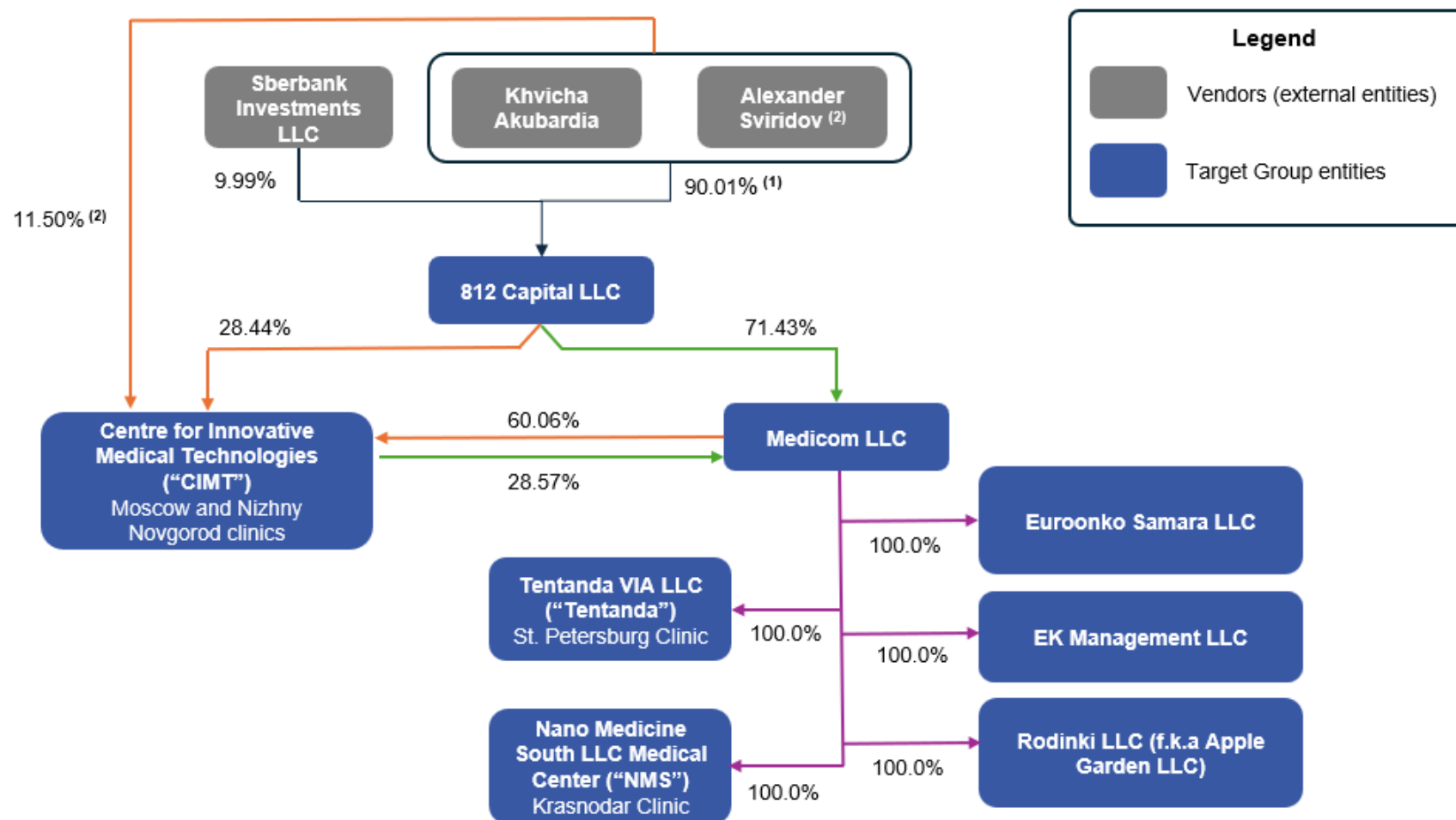
*This announcement has been reviewed by the Company’s sponsor, PrimePartners Corporate Finance Pte. Ltd. (the “**Sponsor**”). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the “**Exchange**”) and the Exchange assumes no responsibility for the contents of this*

document, including the correctness of any of the statements or opinions made or reports contained in this document.

The contact person for the Sponsor is Mr Shervyn Essex, 16 Collyer Quay, #10-00 Collyer Quay Centre, Singapore 049318, sponsorship@ppcf.com.sg.

Appendix 1: Current Target Group Structure

Current Target Group Structure



Notes:

(1) Khvicha Akubardia and Alexander Sviridov holds 10.00% and 1.50% shareholding interest in CIMT, respectively.

(2) Khvicha Akubardia and Alexander Sviridov holds 70.01% and 20.00% shareholding interest in 812 Capital LLC, respectively.

Appendix 2: Summary Financial Information of the Target Group

The unaudited management accounts of Target Group for financial year ended 31 December 2022 and 31 December 2023 are set out below:

Summary of the Unaudited Statement of Comprehensive Income of the Target Group for financial year ended 31 December 2022 and 31 December 2023⁶

	FY2023	FY2022
	S\$'000	S\$'000
Revenue	37,632	33,733
Gross profit	25,140	19,998
Profit before tax	7,820	2,798
Profit attributable to equity owners	7,643	2,743

Summary of the Unaudited Statement of Financial Position of the Target Group as at 31 December 2022 and 31 December 2023⁷

	As at 31 December	
	2023	2022
	\$'000	\$'000
Non-current assets	57,766	23,068
Current assets	18,357	18,513
Total assets	76,123	41,581
Non-current liabilities	64,564	31,980
Current liabilities	10,418	7,276
Total liabilities	74,982	39,256
Net assets	1,141	2,325

⁶ Based on the average exchange rate of S\$1.00 = RR 63.6364 and S\$1.00 = RR50.8168 for the financial year ended 31 December 2023 and 31 December 2022 respectively, as extracted from S&P Capital IQ.

⁷ Based on the exchange rate of S\$1.00 = RR 68.1045 and S\$1.00 = RR54.3552 as at 29 December 2023 and 30 December 2022 respectively as extracted from S&P Capital IQ.

Appendix 3: Pro Forma Financial Information of the Enlarged Group

The unaudited proforma financial information of the Enlarged Group for FY2023 is for illustrative purposes only and has been prepared based on a mere summation of the audited financial statements of the Group for FY2023, including the effects of Disposal, and the unaudited management accounts of the Target Group for FY2023 (a summary of which is set out in Appendix 2 to this announcement).

Summary of the Unaudited Combined Pro-Forma Statement of Comprehensive Income of the Enlarged Group for financial year ended 31 December 2022 and 31 December 2023⁸

	2023	2022
	S\$'000	S\$'000
Revenue	37,632	33,733
Gross profit	25,140	19,998
Profit before tax	8,092	459
Profit attributable to equity owners	7,775	405

Summary of the Unaudited Combined Pro-Forma Statement of Financial Position of the Enlarged Group as at 31 December 2022 and 31 December 2023⁹

	As at 31 December	
	2023	2022
	S\$'000	S\$'000
Non-current assets	57,766	23,069
Current assets	20,583	20,196
Total assets	78,349	43,264
Non-current liabilities	64,564	31,980
Current assets	11,388	8,090
Total liabilities	75,952	40,070
Net assets	2,397	3,194

⁸ Based on the average exchange rate of S\$1.00 = RR 63.6364 and S\$1.00 = RR50.8168 for the financial year ended 31 December 2023 and 31 December 2022 respectively as extracted from S&P Capital IQ.

⁹ Based on the exchange rate of S\$1.00 = RR 68.1045 and S\$1.00 = RR54.3552 as at 29 December 2023 and 30 December 2022 respectively as extracted from S&P Capital IQ.