



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

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## ENTRY INTO SHORT-TERM LOAN AGREEMENT WITH LLC SGC BLAGOVAR

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### 1. Introduction

The board of directors (the “**Board**”) of Don Agro International Limited (the “**Company** and together with its subsidiaries, the “**Group**”) wishes to inform shareholders of the Company (the “**Shareholders**”) that JSC Tetra (“**Tetra**”), a wholly-owned subsidiary of the Company has entered into a short-term loan agreement amounting to Russian Rubles (“**RR**”) 100,000,000.00 (equivalent to approximately S\$1,519,528<sup>1</sup>) for a tenure of one year (the “**Loan Agreement**”) with LLC SGC Blagovar on 6 August 2024.

### 2. Details of LLC SGC Blagovar

LLC SGC Blagovar is an agricultural company incorporated in Russia, which is primarily engaged in the business of breeding of ducks and geese and which principal place of business is in the Republic of Bashkortostan, Russia. The ultimate shareholders of LLC SGC Blagovar are two individuals: 1) Ms Inna German, directly owning 50% of shareholdings in LLC SGC Blagovar; and 2) Ms Diana Kadyrova, owning the remaining of 50% of shareholdings in LLC SGC Blagovar through ownership of 100% of shareholdings in LLC Polus.

LLC SGC Blagovar and its ultimate beneficial shareholders are the third parties independent from the Company and its connected persons, as well as the Company’s directors (the “**Directors**”), chief executive officer and controlling shareholders, and their respective associates (as defined under the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) Listing Manual Section B: Rules of Catalyst (the “**Catalist Rules**”)), to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries.

### 3. Salient Terms of the Loan Agreement

Under the Loan Agreement:

- (a) Tetra shall make available to LLC SGC Blagovar a loan of the principal amount of RR 100 million (equivalent to approximately S\$1,519,528<sup>1</sup>) (the “**Loan**”);
- (b) the proceeds of the Loan shall be applied by LLC SGC Blagovar only towards working capital purposes;
- (c) interest is payable by LLC SGC Blagovar on the outstanding principal amount of the Loan at the key rate the Central Bank of Russia set during the maturity of the Loan plus 3% per annum. The interest is accrued on a monthly basis and payable together with the repayment of the principal amount at the Loan maturity date;

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<sup>1</sup> Based on the exchange rate of S\$1.00 : RR 65.8099 as at 5 August 2024 (the “**Exchange Rate**”).

- (d) in case of any breach of obligations under the Loan Agreement by LLC SGC Blagovar, Tetra shall be entitled to unilaterally terminate the Loan Agreement and in this case all amounts outstanding under the Loan Agreement shall be due within 5 business days from the date of receipt of the notice of termination by LLC SGC Blagovar;
- (e) LLC SGC Blagovar shall repay the Loan in full on or before 31 August 2025, together with all accrued but unpaid interest; and
- (f) in case of LLC SGC Blagovar becomes late to repay any sum due under the Loan Agreement, LLC SGC Blagovar shall pay liquidated damages in amount of 0.05% per day on any amount that remains unpaid under the relevant demand by Tetra.

As at the date of this announcement, the entire principal amount of RR 100 million of the Loan has been disbursed to LLC SGC Blagovar on 8 August 2024.

#### 4. Rationale for and Benefits of the Loan

The Board is of the view that the provision of the Loan to LLC SGC Blagovar is a commercially reasonable arrangement for the Group, given that the Loan offers the Group the opportunity to utilise some of its excess cash, which represents 2.5% of the available cash of the Company as at the date when the Loan was disbursed to LLC SGC Blagovar, such date being 8 August 2024, to generate interest income above the deposit rates offered by commercial banks, the proceeds of which can then be added to the resources available for the Group to use as working capital.

#### 5. Relative Figures under Rule 1006 of the Catalyst Rules

The relative figures for the Loan computed on the applicable bases set out in Rule 1006 of the Catalyst Rules, based on the latest announced unaudited consolidated financial statements of the Group for the six-month financial period ended 30 June 2024 (being the latest announced consolidated accounts of the Group), are as follows:

Rule	Bases of computation	Relative figure
1006(a)	The net asset value of the assets to be disposed of, compared with the Group's net asset value.	3.27% <sup>(1)</sup>
1006(b)	The net profits attributable to the assets acquired or disposed of, compared with the Group's net profits.	Not applicable <sup>(2)</sup>
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.	5.38% <sup>(3)</sup>
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 <sup>(4)</sup>

Rule	Bases of computation	Relative figure
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 SGX-ST may permit valuations to be used instead of volume or amount.	Not applicable <sup>(5)</sup>

**Notes:**

- (1) Computed based on (a) the principal amount of the Loan of RR 100,000,000 (equivalent to approximately S\$1,519,528 based on the Exchange Rate); and (b) the Group's net asset value of approximately S\$ 46,448,000 as at 30 June 2024.
- (2) Not applicable as there are no assets being acquired or disposed of.
- (3) Computed based on the (a) principal amount of the Loan of RR 100,000,000 (equivalent to approximately S\$1,519,528 based on the Exchange Rate); and (b) the market capitalisation of the Company of approximately S\$28.25 million was determined by multiplying 150,272,700 issued shares of the Company ("**Shares**") (excluding treasury shares) by the volume-weighted average market price of approximately S\$0.188 per Share as at the market day immediately preceding the date of the Loan Agreement.
- (4) Not applicable as there is no issue of equity securities by the Company in connection with the Loan.
- (5) Not applicable as the Company is not a mineral, oil and gas company.

As the relative figure computed on the bases set out in Rule 1006(c) exceeds 5% but does not exceed 50%, the Loan constitutes a "disclosable transaction" as defined under Chapter 10 of the Catalist Rules.

## 6. Financial Effects of the Loan

The financial effects of the Loan on the net tangible assets ("**NTA**") per share and loss per share ("**LPS**") of the Company have been prepared based on the Group's unaudited consolidated financial statements for the financial year ended 31 December 2023, being the most recently completed financial year. The financial effects are purely for illustrative purposes and are not intended to reflect the actual future financial performance or position of the Group after completion of the Loan.

(a) **NTA**

Assuming that the Loan had been effected on 31 December 2023, being the end of the most recently completed financial year of the Group), the effects of the Loan on the NTA per share of the Company would be as follows:

	Before provision of Loan	After provision of Loan
<b>NTA (S\$'000)</b>	57,284	57,583
<b>Number of issued shares</b>	150,272,700	150,272,700

<b>NTA per share (cents)</b>	38.12	38.32
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(b) **LPS**

Assuming that the Loan had been effected on 1 January 2023 (being the beginning of the most recently completed financial year of the Group), the effects of the Loan on the LPS of the Company would be as follows:

	<b>Before provision of Loan</b>	<b>After provision of Loan</b>
<b>Net (loss) after tax (\$'000)</b>	(3,987)	(3,688)
<b>Weighted average number of shares</b>	150,272,700	150,272,700
<b>(LPS) (cents)</b>	(2.65)	(2.45)

The transaction costs in relation to the Loan are assumed to be insignificant.

**7. Interest of Directors and Controlling Shareholders**

None of the Directors or their respective associates has any interest, direct or indirect, in the Loan (other than through their respective shareholding interests in the Company, if any). The Directors have not received any notification of interest in the Loan from any controlling Shareholders or their respective associates, and are not aware of any controlling Shareholders or their respective associates which has any interests, direct or indirect, in the Loan (other than through their respective shareholding interests in the Company).

**8. 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 Loan. Accordingly, no service contract is proposed to be entered into between the Company and any such person. The Company will update shareholders as and when appropriate if there are any material changes or developments.

**9. Document available for inspection**

A copy of the Loan Agreement is available for inspection at the registered office of the Company located at 10 Collyer Quay, #10-01 Ocean Financial Centre, Singapore 049315, during normal business hours for three (3) months from the date of this announcement.

**By Order of the Board**

Marat Devlet-Kildeev  
Chief Executive Officer and Executive Director

26 October 2024

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

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