

**Don Agro International Limited
and its subsidiaries
Registration Number: 201835258H**

Condensed interim financial statements for the six months
and full year ended 31 December 2024

**Statements of financial position
As at 31 December 2024**

	Note	Group		Company	
		2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Assets					
Property, plant and equipment	6	–	40,883	–	–
Biological assets	7	–	8,976	–	–
Right-of-use assets	13	–	3,200	–	–
Investments in subsidiaries		–	–	15,945	16,422
Goodwill	29	–	436	–	–
Other investments		385	–	–	–
Other non-current assets		–	14	–	–
Non-current assets		385	53,509	15,945	16,422
Biological assets	7	–	8,474	–	–
Inventories	8	–	13,582	–	–
Trade and other receivables	9	4,763	1,251	1,912	1,952
Cash and cash equivalents	10	47,886	2,349	38	581
Current assets		52,649	25,656	1,950	2,533
Total assets		53,034	79,165	17,895	18,955
Equity					
Share capital	11	40,667	40,667	40,911	40,911
Capital reserves	11	(10,450)	(10,450)	(21,270)	(21,270)
Revaluation reserves		–	25,451	–	–
Foreign currency translation reserve		(6,730)	(20,074)	–	–
Accumulated profits/(losses)		28,253	21,690	(2,485)	(1,370)
Equity attributable to the owners of the Company		51,740	57,284	17,156	18,271
Non-controlling interests		–	45	–	–
Total equity		51,740	57,329	17,156	18,271
Liabilities					
Loans and borrowings	12	–	1,991	–	–
Lease liabilities	13	–	3,043	–	–
Trade and other payables	14	–	–	–	70
Deferred tax liabilities	16	–	5,045	–	–
Deferred income		–	89	–	–
Non-current liabilities		–	10,168	–	70
Loans and borrowings	12	–	3,919	–	–
Lease liabilities	13	–	1,215	–	–
Trade and other payables	14	850	5,631	739	614
Deferred income		–	68	–	–
Provisions	15	380	619	–	–
Current tax liabilities		64	216	–	–
Current liabilities		1,294	11,668	739	614
Total liabilities		1,294	21,836	739	684
Total equity and liabilities		53,034	79,165	17,895	18,955

The accompanying notes form an integral part of these condensed interim financial statements.

Condensed interim consolidated statement of profit or loss and other comprehensive income

	Note	6 months ended 31 December 2024 \$'000	6 months ended 31 December 2023 \$'000	Change, %	12 months ended 31 December 2024 \$'000	12 months ended 31 December 2023 \$'000	Change, %
Continuing operations							
Administrative expenses	19	(4,791)	(881)	443.8	(6,792)	(1,816)	274.0
Other operating expenses/(income), net	20	(60)	1,636	(103.7)	(519)	1,273	(141.0)
Finance income		2,669	84	3,077.4	3,378	28	11,964.3
Finance costs		(688)	–	100.0	(688)	(124)	454.8
Loss/(Profit) before tax		(2,870)	839	(442.1)	(4,621)	(639)	623.16
Tax expense	22	–	(141)	(100)	–	(141)	(100)
Loss/(Profit) from continuing operations		(2,870)	698	(511.2)	(4,621)	(780)	(492.4)
Discontinued operations							
Loss from discontinued operations (net of tax)	25	(6,007)	(3,644)	64.9	(18,102)	(3,508)	416.0
Loss for the year		(8,877)	(2,946)	201.7	(22,723)	(4,288)	429.9
Other comprehensive (loss)/income:							
<i>Items that may be reclassified subsequently to profit or loss</i>							
Foreign currency translation differences arising from foreign operations, at nil tax		(13,654)	(1,257)	(986.2)	(10,689)	(12,701)	(15.8)
Foreign currency translation reserve reclassified to profit or loss upon disposal of discontinued operations		24,033	–	100.0	24,033	–	100.0
<i>Items that will not be reclassified subsequently to profit or loss:</i>							
Revaluation of property plant and equipment	30	4,793	1,789	167.9	4,793	1,789	167.9
Related income tax	16	(959)	(358)	167.9	(959)	(358)	167.9
Other comprehensive (loss)/income for the year, net of tax		14,213	174	N.M.	17,178	(11,270)	(252.4)
Total comprehensive income/(loss)/ for the year		5,336	(2,772)	(92.5)	(5,545)	(15,558)	(64.36)
Loss for the year:							
Owners of the Company		(8,887)	(2,927)	203.6	(22,722)	(4,274)	431.6
Non-controlling interests		–	(19)	N.M.	(1)	(14)	N.M.
Loss for the year		(8,877)	(2,946)	201.7	(22,723)	(4,288)	429.9
Total comprehensive loss attributable to:							
Owners of the Company		(18,697)	(2,753)	579.2	(5,544)	(15,544)	(64.3)
Non-controlling interests		–	(19)	N.M.	(1)	(14)	N.M.
Total comprehensive loss for the year		(18,697)	(2,772)	574.5	(5,545)	(15,558)	(64.4)
Loss per share							
Basic and diluted loss per share (cents)	25	(0.59)	(0.19)	–	(15.12)	(2.84)	–
Loss per share – Continuing operations							
Basic and diluted loss per share (cents)	25	(0.19)	0.05	–	(3.08)	(0.52)	–

N.M. denotes not meaningful

**Condensed statement of changes in equity (Group)
For the year ended 31 December 2024**

	Note	Attributable to owners of the Company					Total \$'000	Non- controlling interests \$'000	Total equity \$'000
		Share capital \$'000	Capital reserves \$'000	Foreign currency translation reserve \$'000	Revaluation reserve \$'000	Accumulated profits \$'000			
At 1 January 2024		40,667	(10,450)	(20,074)	25,451	21,690	57,284	45	57,329
Total comprehensive income for the year									
Loss for the year		–	–	–	–	(22,722)	(22,722)	(1)	(22,723)
Other comprehensive income/(loss)									
Foreign currency translation differences		–	–	(10,689)	–	–	(10,689)	–	(10,689)
Revaluation of property plant and equipment	30	–	–	–	4,793	–	4,793	–	4,793
Related income tax	16	–	–	–	(959)	–	(959)	–	(959)
Foreign currency translation reserve reclassified to profit or loss upon disposal of discontinued operations	26	–	–	24,033	–	–	24,033	–	24,033
Transfer of revaluation of property, plant and equipment and related income tax upon disposal of discontinued operations		–	–	–	(29,285)	29,285	–	–	–
Total comprehensive income/ (loss) for the year		–	–	13,344	(25,451)	6,563	(5,544)	(1)	(5,545)
Changes in ownership interests in subsidiaries									
Disposal of discontinued operations with non-controlling interests	26	–	–	–	–	–	–	(44)	(44)
At 31 December 2024		40,667	(10,450)	(6,730)	–	28,253	51,740	–	51,740

The accompanying notes form an integral part of these condensed interim financial statements.

**Condensed statement of changes in equity (cont'd) (Group)
For the year ended 31 December 2023**

	Note	Attributable to owners of the Company					Total \$'000	Non- controlling interests \$'000	Total Equity \$'000
		Share capital \$'000	Capital reserves \$'000	Foreign currency translation reserve \$'000	Revaluation reserve \$'000	Accumulated profits \$'000			
At 1 January 2023		40,667	(10,450)	(7,373)	24,020	25,964	72,828	59	72,887
Total comprehensive income for the year									
Loss for the year		–	–	–	–	(4,274)	(4,274)	(14)	(4,288)
Other comprehensive (loss)/ income									
Foreign currency translation differences		–	–	(12,701)	–	–	(12,701)	–	(12,701)
Revaluation of property plant and equipment	30	–	–	–	1,789	–	1,789	–	1,789
Related income tax	16	–	–	–	(358)	–	(358)	–	(358)
Total comprehensive (loss)/income for the year		–	–	(12,701)	1,431	(4,274)	(15,544)	(14)	(15,558)
At 31 December 2023		40,667	(10,450)	(20,074)	25,451	21,690	57,284	45	57,329

The accompanying notes form an integral part of these condensed interim financial statements.

**Condensed statement of changes in equity (Company)
For the year ended 31 December 2024**

	Note	Attributable to owners of the Company (Company-level)			
		Share capital \$'000	Capital reserves \$'000	Accumulated losses \$'000	Total equity \$'000
At 1 January 2024		40,911	(21,270)	(1,370)	18,271
Total comprehensive loss for the period					
Loss for the year		–	–	(1,115)	(1,115)
Total comprehensive loss for the year		–	–	(1,115)	(1,115)
At 31 December 2024		40,911	(21,270)	(2,485)	17,156
At 1 January 2023		40,911	(21,270)	(62)	19,579
Total comprehensive income for the year					
Loss for the year		–	–	(1,308)	(1,308)
Total comprehensive loss for the year		–	–	(1,308)	(1,308)
At 31 December 2023		40,911	(21,270)	(1,370)	18,271

The accompanying notes form an integral part of these condensed interim financial statements.

**Condensed interim consolidated statement of cash flows
For the year ended 31 December 2024**

	2024	2023
	\$'000	\$'000
Cash flows from operating activities		
Loss for the year	(22,723)	(4,288)
Adjustments for:		
Deposits forfeited	20	(2,366)
Depreciation of property, plant and equipment and right-of-use assets	1,643	3,200
Finance costs	1,465	2,070
Finance income	(3,424)	(136)
Gain on disposal of property, plant and equipment	20	(22)
Impairment loss recognised on trade and other receivables	20	16
Inventories written down	18	259
Loss from change in fair value of biological assets	9,801	348
Loss on disposal of discontinued operations	26	–
Provision made, net	15	607
Reversal of provision/(Provision) for inventory obsolescence	(272)	34
Tax expense	62	301
	(4,879)	23
Changes in:		
Trade and other receivables	(1,546)	1,119
Inventories	5,976	2,806
Biological assets	(8,777)	(2,149)
Trade and other payables and provisions	(2,267)	1,349
Deferred income	(38)	(81)
Cash (used in)/generated from operations	(11,531)	3,067
Tax paid	(178)	(235)
Net cash (used in)/from operating activities	(11,709)	2,832

The accompanying notes form an integral part of these condensed interim financial statements.

**Consolidated interim consolidated statement of cash flows (cont'd)
For the year ended 31 December 2024**

	Note	2024 \$'000	2023 \$'000
Cash flows from investing activities			
Acquisition of subsidiary, net of cash acquired	28	–	(1,684)
Changes in restricted deposits		(31,717)	–
Disposal of discontinued operations, net of cash disposed of	26	60,593	–
Interest received		3,421	130
Loans granted to an external party		(1,429)	–
Purchase of other investments		(457)	–
Purchase of property, plant and equipment		(439)	(1,732)
Proceeds from sale and disposal of property, plant and equipment		192	68
Net cash from/(used in) investing activities		<u>30,164</u>	<u>(3,218)</u>
Cash flows from financing activities			
Proceeds from borrowings		7,493	11,078
Repayment of borrowings		(2,449)	(10,177)
Repayment of lease liabilities		(63)	(268)
Interest paid		(752)	(720)
Net cash from/(used in) financing activities		<u>4,229</u>	<u>(87)</u>
Net increase/(decrease) in cash and cash equivalents		22,684	(473)
Cash and cash equivalents at 1 January		2,349	3,164
Effect of exchange rate fluctuations on cash held		(3,936)	(342)
Cash and cash equivalents at 31 December	10	<u>21,097</u>	<u>2,349</u>

The accompanying notes form an integral part of these condensed interim financial statements.

Notes to the condensed interim consolidated financial statements

These notes form an integral part of the condensed interim consolidated financial statements.

1 Business and organisation

The Company was incorporated as Don Agro International Private Limited on 16 October 2018 and is domiciled in the Republic of Singapore. The Company was a private company limited by shares with an issued and paid-up share capital of \$100 comprising 100 shares of which 6% and 94% were held by Mr Marat Devlet-Kildeev and Mr Evgeny Tugolukov, respectively. On 4 February 2020, the Company was converted into a public company limited by shares and changed its name to Don Agro International Limited. The Company was listed on the Catalist Board of Singapore Exchange Securities Trading Limited on 14 February 2020. The Company's registered address is 10 Collyer Quay, #10-01, Ocean Financial Centre, Singapore 049315.

The financial statements of the Group as at the full year ended 31 December 2024 comprise the Company and its subsidiaries (together referred to as the "Group" and individually as "Group entities") and the Group's interest in equity accounted investees.

Before the sale of an agricultural business the Group's principal business activity was growing, processing and distribution of agricultural and dairy products, mainly grain and milk at farms located in the Rostov Region. The Group's products were sold in the Russian Federation.

The Company entered into preliminary sale and purchase agreements ("**Agreement**") with Agroholding "Prostory" JSC ("**Purchaser**") for the disposal of the following shares (the "**Target Group Sale Shares**") held by Tetra: (i) 99.99% of the shares in Don Agro LLC ("**Don Agro Shares**"); (ii) 99.99% of the shares in Don Agrarian Group JSC (also known as Don Agro, JSC) ("**DAG Shares**"); and (iii) 90% of the shares in Don Muchnov LLC (formerly known as LLC ZMK 161) ("**Don Muchnov Shares**") (collectively, the "**Target Group**") (the "**Target Group Disposal**"). Total consideration was RR4,450,000,000 (equivalent to approximately \$65,702,537). Tetra had on 26 April 2024, entered into a preliminary sale and purchase agreement ("**DonTK Agreement**") with Donskaya trastovaya kompaniya LLC, as Trustee of the Closed Unit Investment Fund Combined "Aldan" ("**DonTK**") to set out the key terms on which Tetra and DonTK entered, subject to the satisfaction of the Volgo-Agro Conditions Precedent (as defined below), into a main sale and purchase agreement with DonTK signed concurrently on the Volgo-Agro Closing Date (as defined below) for the disposal of 99.99% of the shares in Volgo-Agro LLC held by Tetra ("**Volgo-Agro Shares**") (the "**Volgo-Agro Disposal**"). The Main Target Group Agreements and the Main VolgoAgro Agreement were signed on 5 July 2024 and the Target Group Closing and the Volgo-Agro Closing have been completed. The consideration payable by DonTK to Tetra for the Proposed Volgo-Agro Disposal was RR 50,000,000 (equivalent to approximately \$738,231). The Don Agro Shares and Don Muchnov Shares have been transferred to Agroholding Prostory on 6 July 2024, and Volgo Agro Shares have been transferred to DonTK on 12 July 2024 in accordance with Russian Law. On 11 July 2024, DAG shares have been transferred to Agroholding Prostory. The balance proceeds is expected to be received in accordance with payment schedule. For details please refer to the note 2.3 in Company's announcement to Shareholders dated 29 April 2024.

As a consequence of the Disposals, Happy Cow, LLC is the remaining subsidiary of Tetra. As Happy Cow, LLC is not an operating subsidiary, the Company does not have any operating businesses following the completion of the Disposals and has become a cash company as defined under Rule 1017 of the Catalist Rules. Please refer to the Company's announcement dated 8 July 2024 for further details.

The condensed financial statements reflect management's assessment of the impact of the Russian business environment on the operations and the financial position of the Group. The future business environment may differ from management's assessment.

2 Basis of preparation

The condensed interim consolidated financial statements for the six months and full year ended 31 December 2024 have been prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)") 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last interim financial statements for the period ended 30 June 2024.

These interim consolidated financial statements are presented in Singapore dollars ("S"). The functional currency of the Company is Singapore dollars ("S"). Assets and liabilities are translated from RUB currency to S at rates of exchange ruling at the respective reporting dates. All equity items are translated at historical rates. The results for the respective years are translated using the average rate. Resultant exchange differences are recognised directly in equity, in the foreign currency translation reserve. All financial information presented in S has been rounded to nearest thousand, unless otherwise stated.

2.1. New standards and amendments

The Group has applied the relevant SFRS(I)s, amendments to and interpretations of SFRS(I) for the first time for the annual period beginning on 1 January 2024.

The application of these amendments to standards and interpretations does not have a material effect on the financial statements. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting these amendments and interpretations.

3 Use of judgements and estimates

In preparing the unaudited interim consolidated financial statements, management has made judgements, estimates and assumptions that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those described in the last issued audited consolidated financial statements.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Assumptions and estimation uncertainties

As at 31 December 2024, there are no significant assumptions and estimation uncertainties that have significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the year ended 31 December 2024.

Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair value. This includes a finance team that has overall responsibility for all significant fair value measurements, including Level 3 fair values, and report directly to the Chief Financial Officer.

The finance team regularly reviews significant unobservable inputs and valuation adjustments.

Significant valuation issues are reported to the Board of directors.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- *Level 1* : quoted prices (unadjusted) in active markets for identical assets or liabilities.
- *Level 2* : inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- *Level 3* : inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement (with Level 3 being the lowest).

The Group recognises transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in note 7 – biological assets, and in note 28 – revaluation of land plots.

4 Changes in significant accounting policies

The accounting policies applied in these unaudited condensed interim consolidated financial statements are the same as those applied in the Group's consolidated financial statements as at and for the year ended 31 December 2023.

A number of amendments to Standards have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

5 Seasonality of operations

The Group's crops segment is subject to seasonal fluctuations due to the different cultivation period for each type of crops. In particular, winter wheat are cultivated between October and August in separate calendar years, while other crops such as sunflower and corn are cultivated between April and October.

The Group attempted to minimise the seasonal impact by managing inventories to meet demand during this period. However, this segment typically has lower revenues and results for the second half of the year. Revenue for the crop segment for the six months period ended 31 December 2023 \$9,923,000. Fluctuations of results are minimised by measuring the biological assets as at 31 December at fair value less estimated point-of-sale costs at the time of harvesting.

Following the Disposal, the Group is currently a cash company. As such, the Group's has no ongoing business operations and accordingly are not subject to any seasonal fluctuations.

6 Property, plant and equipment

	Land \$'000	Buildings \$'000	Plant and equipment \$'000	Motor Vehicles \$'000	Construction in progress \$'000	Total \$'000
Valuation/Cost						
At 1 January 2023	35,369	6,509	17,258	1,589	120	60,845
Additions	182	165	1,266	119	–	1,732
Acquisition of subsidiary (Note 28)	96	1,387	178	40	–	1,701
Disposals/Write-off	–	(21)	(4)	(20)	(44)	(89)
Revaluation	1,789	–	–	–	–	1,789
Effect on movements in exchanges rates	(6,851)	(1,334)	(3,370)	(310)	(20)	(11,885)
At 31 December 2023	30,585	6,706	15,328	1,418	56	54,093
Additions	89	251	88	–	11	439
Disposals/Write-off	(14)	(115)	(156)	(13)	–	(298)
Revaluation	4,793	–	–	–	–	4,793
Disposal of discontinued operations	(34,468)	(6,622)	(14,764)	(1,333)	(64)	(57,251)
Effect on movements in exchanges rates	(985)	(220)	(496)	(50)	(3)	(1,754)
At 31 December 2024	–	–	–	22	–	22
Accumulated depreciation and impairment losses						
At 1 January 2023	–	(2,220)	(10,368)	(977)	–	(13,565)
Depreciation charge for the year	–	(416)	(1,838)	(162)	–	(2,416)
Disposals/Write-off	–	15	4	20	–	39
Effect on movements in exchange rates	–	448	2,087	197	–	2,732
At 1 January 2024	–	(2,173)	(10,115)	(922)	–	(13,210)
Depreciation charge for the year	–	(220)	(955)	(85)	–	(1,260)
Disposals/Write-off	–	70	120	4	–	194
Disposal of discontinued operations	–	2,256	10,620	948	–	13,824
Effect on movements in exchanges rates	–	67	330	33	–	430
At 31 December 2024	–	–	–	22	–	22
Carrying amounts						
At 1 January 2023	35,369	4,289	6,890	612	120	47,280
At 31 December 2023	30,585	4,533	5,213	496	56	40,883
At 31 December 2024	–	–	–	–	–	–

7 Biological assets

	2024	2023
	\$'000	\$'000
Non-current		
Livestock	–	8,375
Permanent grasses	–	601
	<u>–</u>	<u>8,976</u>
Current		
Crops	–	8,474
	<u>–</u>	<u>8,474</u>

Biological assets - livestock

Changes in biological assets - livestock balances are disclosed below:

	2024	2023
	\$'000	\$'000
Balance at 1 January	8,375	10,092
Increase due to cost on growth	3,673	9,678
Disposal due to mortality	(12)	(42)
Decrease due to sales of livestock	(786)	(1,459)
Decrease due to sales of milk	(2,723)	(7,113)
Gain/(loss) arising from changes in fair value of biological assets	(2,061)	(850)
Disposal of discontinued operations	(6,195)	
Effect on movements in exchange rates	(271)	(1,931)
Balance at 31 December – non-current	<u>–</u>	<u>8,375</u>

Biological assets - permanent grasses

Changes in biological assets - permanent grasses balances are disclosed below:

	2024	2023
	\$'000	\$'000
Balance at 1 January	601	631
Increase due to costs on growing crops	555	893
Decrease of crops due to harvest	(258)	(797)
Disposal of discontinued operations	(879)	–
Effect on movements in exchange rates	(19)	(126)
Balance at 31 December – non-current	<u>–</u>	<u>601</u>

Biological assets - crops

In 2024 and 2023, the Group cultivated wheat, sunflower, corn and other crops. As at 31 December 2023, the unharvested crops are represented by the following types.

	2024	2023
	\$'000	\$'000
Winter wheat	–	8,431
Corn	–	43
Balance at 31 December – current	–	8,474

Changes in biological assets - crops balances are disclosed below:

	2024	2023
	\$'000	\$'000
Balance at 1 January	8,474	8,739
Increase due to costs on growing crops	9,974	23,365
Gain arising from changes in fair value of biological assets	(7,740)	502
Decrease of crops due to harvest	(1,646)	(22,376)
Disposal of discontinued operations	(8,789)	–
Effect on movements in exchange rates	(273)	(1,756)
Balance at 31 December – current	–	8,474

Risk management strategy related to agriculture activities

The Group is exposed to the following risks related to its crops and livestock:

Regulatory and environmental risks

The Group has established environmental policies and procedures aimed at compliance with local environmental and other laws. Management performs regular reviews to identify environmental risks and to ensure that the systems are in place to manage those risks.

Supply and demand risk

The Group is exposed to risks arising from fluctuations in the price and sales volume of grain and milk products. Whenever possible, the Group manages this risk by aligning its production volume to market supply and demand. Management performs regular industry trend analyses to ensure that the Group's pricing structure is in line with the market and to ensure that the projected harvest and milk volumes are consistent with expected demand.

Climate and other risks

The Group's crops are exposed to the risk of damage from climatic changes and diseases. The Group has extensive processes in place aimed at monitoring and mitigating those risks. The Group does not insure itself against failure of crops.

Measurement of fair values

Fair value hierarchy

The fair value measurements for the crops and livestock have been categorised as Level 3 fair values based on the inputs to the valuation techniques used.

Permanent grass is stated at cost, less accumulated depreciation and accumulated impairment losses as the fair value of permanent grass cannot be measured reliably. The permanent grass is grown for internal consumption and has neither comparable nor observable market sales data.

Level 3 fair value

The following table shows a breakdown of the total gains/ (losses) recognised in respect of Level 3 fair values.

	2024	2023
	\$'000	\$'000
Gain from change in fair value of biological assets and agricultural produce		
- Change in fair value (realised)	-	(2,695)
- Change in fair value (unrealised)	(9,801)	2,347
	(9,801)	(348)
Loss included in other comprehensive income		
Effect of movements in exchange rates	(563)	(3,811)

Valuation techniques and significant unobservable inputs

The following table shows the Group's valuation techniques used in measuring Level 3 fair values of biological assets, as well as the significant unobservable inputs used as at 31 December 2023 which are the same as disclosed in financial results announcement for 2H FY2023:

:

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurements
Bearer livestock: milk cow <ul style="list-style-type: none"> • Number of dairy cows - 1,974 • Number of calves and heifers: 2,014 	<i>Discounted cash flow:</i> Fair value is determined using the cash flow model discounted using a pre-tax rate that reflects current market assessments of the time value of money and risks specific to the asset. The cash flow model is based on the physiological characteristics of the animals and management expectations concerning the potential productivity.	<ul style="list-style-type: none"> • Length of lactation period (years) -2.80 • Herd average daily milk yield (litres) 20.98 • Market prices for milk in the same region (in RUB/litre excluding VAT) :-36.26 • Risk-adjusted discount rate - 20.0% 	The estimated fair value would increase (decrease) if: <ul style="list-style-type: none"> • the lengths of lactation period were longer (shorter); • the herd average daily milk yields were higher (lower); • the market prices for milk in the same region were higher (lower); or • the risk-adjusted discount rates were lower (higher).
Crops: winter wheat Plant area (hectare) - 24,729	<i>Discounted cash flow:</i> The valuation model considers the present value of the net cash flows expected to be generated by the crops that are in growing stage as at the year ended. The cash flow projection include the planted area, expected yield, market price and future cost to grow and sell. The expected net cash flows are discounted using a risk-adjusted discount rate.	<ul style="list-style-type: none"> • Market prices for crop in the same region (in RUB/tonne excluding VAT) LLC Don Agro – 12,244 LLC Volgo –Agro –11,459 • Risk-adjusted discount rate - 20.0% • Expected yield (tonne/hectare) LLC Don Agro-4.51 LLC Volgo-Agro-2.70 • Future cost to grow and sell (in RUB/hectare) LLC Don Agro – 14,496 LLC Volgo-Agro –10,653 	The estimated fair value would increase (decrease) if: <ul style="list-style-type: none"> • the expected yields were higher (lower); • the market prices for crop in the same region were higher (lower); • future cost to grow and sell were lower (higher); or • the risk-adjusted discount rates were lower (higher)

8 Inventories

	2024	2023
	\$'000	\$'000
Raw materials and consumables	–	3,757
Work in progress	–	1,770
Finished goods – agricultural produce	–	8,342
	<hr/>	<hr/>
	–	13,869
Less: Provision for inventory obsolescence	–	(287)
	<hr/>	<hr/>
	–	13,582
	<hr/>	<hr/>

9 Trade and other receivables

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Trade receivables	–	147	–	–
Other receivables	317	32	7	10
Loan receivables	1,207	–	–	–
Less: Impairment losses	–	(19)	–	–
Interest receivables from subsidiary	–	–	625	441
Dividends receivable	–	–	1,213	1,485
Deferred consideration receivables	3,017	–	–	–
	<hr/>	<hr/>	<hr/>	<hr/>
Financial assets at amortised cost	1,524	160	1,845	1,936
Advances paid to suppliers	214	636	67	16
Value-added tax (“VAT”) receivables	–	447	–	–
Current tax assets	8	8	–	–
	<hr/>	<hr/>	<hr/>	<hr/>
	4,763	1,251	1,912	1,952
	<hr/>	<hr/>	<hr/>	<hr/>

The loan receivables granted to an external party are unsecured, bear interest at Key Rate of Central Bank plus 3% per annum and have a maturity date on 31 August 2025.

The deferred consideration receivables represented the final cash consideration for disposal of discontinued operations, which was received in January 2025 and February 2025.

10 Cash and cash equivalents

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Petty cash	–	3	–	–
Bank balances	9,030	1,160	38	581
Short-term bank deposits with maturities of three months or less	12,067	1,186	–	–
Restricted deposits	26,789	–	–	–
	<u>47,886</u>	<u>2,349</u>	<u>38</u>	<u>581</u>
Less: Restricted deposits	<u>(26,789)</u>	<u>–</u>		
Cash and cash equivalents included in consolidated statement of cash flows	<u>21,097</u>	<u>2,349</u>	–	–

The restricted deposits of \$26.8 million represented advance payments for the shares in 812 Capital LLC in the form of letters of credits issued by PJSC Sberbank Moscow 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).

11 Capital and reserves

Share capital as presented in the statements of financial position refers to shares issued to the controlling shareholders pursuant to the Restructuring Exercise, which is deemed to have taken place since the beginning of the earliest period presented.

Share capital

	Number of shares		Amount	
	For year ended 31 December 2024	For year ended 31 December 2024	For year ended 31 December 2024 \$'000	For year ended 31 December 2023 \$'000
Issued and fully paid ordinary shares, at par value:				
At the beginning and end of the year	150,272,700	150,272,700	40,667	40,667

There was no change in the Company's share capital from 30 June 2024 to 31 December 2024. The Company did not have any outstanding options, convertibles or treasury shares, and there were no subsidiary holdings as at 31 December 2024 and 31 December 2023. The Company was incorporated on 16 October 2018.

Net asset value

	Group		Company	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
Net asset value per ordinary shares (cents)	34.43	38.12	11.42	12.16

Dividends

No dividends were paid in FY2024 and FY2023.

Ordinary shares

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company. All shares rank equally with regard to the Company's residual assets.

Capital reserve

Capital reserves mainly relates to the merger reserve recognised in connection with the execution of the share swap agreement between the Company and Vallerd Investments Limited as a result of the Restructuring Exercise and transactions with former shareholders, which has been accounted for as a transaction with shareholders in their capacity as shareholders in accordance with SFRS(I) 1-1 – *Presentation of Financial Statements*.

12 Loans and borrowings

	2024 \$'000	2023 \$'000
Non-current liabilities		
Secured bank loans	–	1,991
	–	1,991
Current liabilities		
Secured bank loans	–	3,919
	–	3,919

Terms and debt repayment schedule

The terms and conditions of outstanding loans and borrowings are as follows:

				2024		2023	
				Face value \$'000	Carrying amount \$'000	Face value \$'000	Carrying amount \$'000
	Nominal interest rate %	Year of maturity					
	Currency						
Secured bank loans	RUB	2.75%- 18.29%	2024 - 2026	–	–	5,910	5,910

13 Lease liabilities

	2024	2023
	\$'000	\$'000
Non-current		
Lease liabilities	–	3,043
Current		
Lease liabilities	–	1,215

The Group leases agricultural equipment and land plots. Lease liabilities are secured by the leased assets.

		Nominal interest rate	Year of maturity	2024		2023	
				Face value \$'000	Carrying amount \$'000	Face value \$'000	Carrying amount \$'000
Lease liabilities	RUB	5% - 13%	2024 – 2040	–	–	6,111	4,258

Right-of-use assets

Right-of-use assets related to leased properties: Land plots and agricultural equipment:

	Land plots \$'000	Agricultural equipment \$'000	Total \$'000
2023			
Balance at 1 January	4,443	53	4,496
Depreciation charge for the year	(748)	(36)	(784)
Remeasurement of right-of-use assets	69	–	69
Modification of right-of-use assets	242	–	242
Effect on movements in exchange rates	(816)	(7)	(823)
Balance at 31 December	3,190	10	3,200
2024			
Balance at 1 January	3,190	10	3,200
Depreciation charge for the year	(383)	–	(383)
Additions to right-of-use assets	–	215	215
Modification of right-of-use assets	21	–	21
Disposal of discontinued operations (Note 26)	(2,725)	(225)	(2,950)
Effect on movements in exchange rates	(103)	–	(103)
Balance at 31 December	–	–	–

Amounts recognised in profit or loss

	2024	2023
	\$'000	\$'000
Interest expense on lease liabilities	(209)	(534)
Income from remeasurement and modification of lease liabilities presented in 'other income'	3	6
	(206)	(528)

14 Trade and other payables

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Non-current				
Loan to a subsidiary	–	–	–	70
Current				
Trade payables	47	934	–	–
Other payables	619	485	475	425
Loan to a subsidiary	–	–	70	–
Interest payables to subsidiary	–	–	23	18
Payables to employees	–	136	–	–
Dividends payable	171	171	171	171
Financial liabilities at amortised cost	837	1,726	739	614
Advances received from customers	–	3,461	–	–
VAT payables	–	197	–	–
Unified Social Tax (“UST”) payables	11	149	–	–
Other taxes payables	2	98	–	–
	850	5,631	739	614
	850	5,631	739	684
Represented by:				
Financial liabilities at amortised cost	837	1,726	739	684
Non-financial liabilities	13	3,905	–	–
	850	5,631	739	684

The loan to a subsidiary is unsecured, interest bearing of 6.10% per annum and is payable no later than 30 June 2025.

15 Provisions

Provisions were created mainly for employees' unused vacation and year-end bonuses. The unused vacation and year-end bonuses provisions are expected to be utilised within the next 12 months.

	2024	2023
	\$'000	\$'000
At 1 January	619	678
Provision made during the year	626	621
Reversal of unutilised annual leave no longer required	(39)	(14)
	587	607
Provision utilised during the year	(252)	(540)
Disposal of discontinued operations (Note 26)	(484)	–
Acquisition of subsidiary (Note 28)	–	7
Effect on movements in exchange rates	(90)	(133)
At 31 December	<u>380</u>	<u>619</u>

16 Deferred tax liabilities

The movements in the deferred tax account are as follows:

	2024	2023
	\$'000	\$'000
At 1 January	5,045	5,815
Revaluation of land plots	959	358
Disposal of discontinued operations (Note 26)	(5,841)	–
Effect on movements in exchange rates	(163)	(1,128)
At 31 December	<u>–</u>	<u>5,045</u>

17 Revenue

	6 months	6 months	12 months	12 months
	ended 31	ended 31	ended 31	ended 31
	December	December	December	December
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Discontinued operations				
Revenue from sale of crop production	–	8,862	7,011	20,479
Revenue from sale of livestock and milk	–	4,431	4,593	10,036
Revenue from sale of flour	–	263	574	292
Revenue from services provided	–	92	69	172
	<u>–</u>	<u>13,648</u>	<u>12,247</u>	<u>30,979</u>

18 Cost of sales

	6 months ended 31 December 2024 \$'000	6 months ended 31 December 2023 \$'000	12 months ended 31 December 2024 \$'000	12 months ended 31 December 2023 \$'000
Discontinued operations				
Cost of inventories sold	–	7,490	6,201	17,649
Wages and salaries	–	3,479	2,323	6,437
Depreciation of property, plant and equipment and right-of-use assets	–	1,614	1,031	3,103
Short-term lease expenses	–	–	251	290
Growing and harvesting services	–	417	807	1,797
Energy utilities	–	236	174	453
Other taxes	–	126	44	170
Inventories written down	–	160	22	259
Others	–	931	707	1,489
	–	14,453	11,560	31,647

19 Administrative expenses

	6 months ended 31 December 2024 \$'000	6 months ended 31 December 2023 \$'000	12 months ended 31 December 2024 \$'000	12 months ended 31 December 2023 \$'000
Discontinued operations				
Wages and salaries	69	349	380	743
Depreciation property, plant and equipment and right-of-use assets	5	14	16	35
Information, consulting and other professional services	13	53	45	154
Short-term lease expenses	2	11	11	29
Repair costs	4	3	10	13
Business travel expenses	62	95	93	123
Other material expenses	8	31	30	66
Others	67	73	105	130
	230	629	690	1,293
Continuing operations				
Wages and salaries	3,271	260	3,585	704
Information, consulting and other professional services	1,480	619	3,059	1,071
Short-term lease expenses	15	13	29	27
Repair costs	–	–	–	–
Business travel expenses	25	2	65	3
Other material expenses	–	–	–	–
Others	–	–	54	11
	4,791	894	6,792	1,816

20 Operating income and expenses

	6 months ended 31 December 2024 \$'000	6 months ended 31 December 2023 \$'000	12 months ended 31 December 2024 \$'000	12 months ended 31 December 2023 \$'000
Discontinued operations				
Government grants received	4	–	38	81
Gain on extinguishment of liabilities	–	–	1	53
Reversal of unutilised annual leave no longer required	39	14	39	14
Impairment loss recognised on trade and other receivables	–	–	–	(16)
Bank services	–	(42)	(25)	(61)
Gain on disposal of property, plant and equipment	–	9	88	22
Penalties	–	(3)	(9)	(6)
Other tax expenses	(61)	(219)	(81)	(294)
Provision for inventory obsolescence	(14)	(303)	272	(34)
Deposits forfeited	–	–	–	1,152
Other expenses/ (income)	(2)	986	220	(112)
	<u>(34)</u>	<u>442</u>	<u>543</u>	<u>799</u>
Continuing operations				
Government grants received	2	78	2	78
Bank services	(36)	(5)	(81)	(15)
Penalties	–	–	–	(4)
Deposits forfeited	–	–	–	1,214
Other expenses/(income)	(26)	1,563	(440)	–
	<u>(60)</u>	<u>1,636</u>	<u>(519)</u>	<u>1,273</u>

21 Employee benefits

	6 months ended 31 December 2024 \$'000	6 months ended 31 December 2023 \$'000	12 months ended 31 December 2024 \$'000	12 months ended 31 December 2023 \$'000
Discontinued operations				
Salaries and related expenses	–	(2,470)	(2,167)	(4,931)
Contributions to defined contribution plans	–	(839)	(715)	(1,650)
Provision made for unutilised annual leave	–	(333)	(180)	(564)
	<u>–</u>	<u>(3,642)</u>	<u>(3,062)</u>	<u>(7,145)</u>
Continuing operations				
Salaries and related expenses	(2,449)	(190)	(2,678)	(529)
Contributions to defined contribution plans	(403)	(30)	(461)	(113)
Provision made for unutilised annual leave	(420)	(16)	(446)	(57)
	<u>(3,272)</u>	<u>(236)</u>	<u>(3,585)</u>	<u>(699)</u>

Employee benefits expense for the year are charged to the accounts stated as follows:

	6 months ended 31 December 2024 \$'000	6 months ended 31 December 2023 \$'000	12 months ended 31 December 2024 \$'000	12 months ended 31 December 2023 \$'000
Discontinued operations				
Biological assets	–	1,413	(1,845)	(1,184)
Inventories	–	(1,184)	(509)	(1,575)
Cost of sales	–	(3,517)	(328)	(3,638)
Administrative expenses	–	(354)	(380)	(748)
	–	(3,642)	(3,062)	(7,145)
Continuing operations				
Administrative expenses	(3,272)	(236)	(3,585)	(699)
	(3,272)	(236)	(3,585)	(699)

22 Tax expense

The income tax rate applicable to the majority of the Group's income is 0% for activities related to agricultural production; other activities are taxed at 20% respectively.

23 Contingencies and commitments

Insurance

The insurance industry in the Russian Federation is in a developing state and many forms of insurance protection common in other parts of the world are not yet generally available. The Group does not have full coverage for its plant facilities, biological assets, business interruption, or third party liability in respect of property or environmental damage arising from accidents on the Group's property or relating to the Group's operations. Until the Group obtains adequate insurance coverage, there is a risk that the loss or destruction of certain assets could have a material adverse effect on the Group's operations and financial position as at 31 December 2023.

Taxation

The taxation system in the Russian Federation continues to evolve and is characterised by frequent changes in legislation, official pronouncements and court decisions, which are sometimes contradictory and subject to varying interpretation by different tax authorities.

The tax authorities have the power to impose fines and penalties for tax arrears. A tax year is generally open for review by the tax authorities during three subsequent calendar years. Currently the tax authorities are taking a more assertive and substance-based approach to their interpretation and enforcement of tax legislation in the Russian Federation.

In addition, changes aimed at regulating tax consequences of transactions with foreign companies have been introduced, such as concept of beneficial ownership of income, taxation of controlled foreign companies, tax residency rules, etc. These changes may potentially impact the Group's tax position and create additional tax risks.

All these circumstances may create tax risks in the Russian Federation that are substantially more significant than in other countries. Management believes that it has provided adequately for tax liabilities based on its interpretations of applicable Russian tax legislation, official pronouncements and court decisions. However, the interpretations of the tax authorities and courts could differ and the effect on these consolidated financial statements, if the authorities are successful in enforcing their interpretations, could be significant.

24 Related parties

Key management personnel compensation

Key management personnel of the Group are those persons having authority and responsibility for planning, directing and controlling the activities of the Group.

Key management received the following remuneration during the year, which is included in employee benefits expense (see note 20):

	6 months ended 31 December 2024 \$'000	6 months ended 31 December 2023 \$'000	12 months ended 31 December 2024 \$'000	12 months ended 31 December 2023 \$'000
Salaries and related expenses	2,496	268	2,759	613
Contributions to defined contribution plans	397	54	471	146
	<u>2,893</u>	<u>322</u>	<u>3,230</u>	<u>759</u>

25 Loss per share

Basic loss per share

The calculation of basic loss per share for the six months period ended and for the twelve months period 31 December 2024 and 2023 is based on the loss attributable to ordinary shareholders and the weighted-average number of ordinary shares outstanding during the period/ year, as follows:

	For the six months period ended 31 December		For the twelve months period ended 31 December	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Discontinued operations				
Loss attributable to owners of the Company	(6,007)	(3,625)	(18,101)	(3,494)
Continuing operations				
Loss attributable to owners of the Company	(2,870)	698	(4,621)	(780)
Discontinued and continued operations				
Loss attributable to owners of the Company	(8,877)	(2,927)	(22,722)	(4,274)
	No. of shares	No. of shares	No. of shares	No. of shares
Weighted average number of shares during the period	150,272,700	150,272,700	150,272,700	150,272,700

Diluted earnings per share

Diluted earnings per share are the same as basic earnings per shares as there were no potential dilutive ordinary shares existing during the respective periods in 2024 and 2023.

26 Discontinued operations

The Group completed the disposal of the following subsidiaries for a cash consideration of RR4,500 million (approximately \$64.3 million):

- 99.99% equity interests in Don Agro LLC;
- 99.99% equity interests in Don Agrarian Group JSC;
- 90% equity interests in Don Muchnov LLC; and
- 99.99% equity interests in Volgo-Agro LLC.

The above subsidiaries represented separate major line of business and met the definition of discontinued operations in accordance with SFRS(I) 5 *Non-current Assets Held for Sale and Discontinued Operations*. Accordingly, they are deconsolidated from the consolidated financial statements of the Company in the current financial period and the comparative information of the consolidated statement of profit or loss are re-presented to reflect the presentation of discontinued operations.

Results of discontinued operations

	2024	2023
	\$'000	\$'000
Revenue	12,247	30,979
Cost of sales	(11,560)	(31,647)
Loss from change in fair value of biological assets	(9,801)	(348)
Gross profit	(9,114)	(1,016)
Administrative expenses	(690)	(1,293)
Other operating income, net	543	799
Loss from operating activities	(9,261)	(1,510)
Finance income	46	108
Finance costs	(777)	(1,946)
Net finance costs	(731)	(1,838)
Loss before tax	(9,992)	(3,348)
Tax expense	(62)	(160)
Results from operating activities, net of tax	(10,054)	(3,508)
Loss on disposal of discontinued operations	(8,048)	–
Loss from discontinued operations, net of tax	(18,102)	(3,508)
Loss from discontinued operations, net of tax attributable to:		
Owners of the Company	(18,101)	(3,494)
Non-controlling interests	(1)	(14)
	(18,102)	(3,508)
Loss per share		
Basic and diluted loss per share from discontinued operations (cents)	(12.05)	(2.33)
Cash flows from/(used in) discontinued operations		
Net cash used in operating activities	(21,955)	(15,750)
Net cash from investing activities	48,020	196
Net cash from/(used in) financing activities	4,229	(87)
Net cash flows for the year	30,294	(15,641)

The loss from continuing operations of \$4,621,000 (2023: \$780,000) is attributable entirely to the owners of the Company.

Effect of disposal of discontinued operations of the Group

	2024 \$'000
Property, plant and equipment (Note 6)	43,427
Right-of-use assets (Note 13)	2,950
Goodwill (Note 29)	422
Biological assets – Livestock and permanent grass (Note 7)	7,074
Other non-current assets	12
Biological assets – Crops (Note 7)	8,789
Inventories	7,417
Trade and other receivables	2,216
Cash and cash equivalents	126
Deferred tax liabilities (Note 16)	(5,841)
Deferred income	(114)
Lease liabilities	(4,150)
Loans and borrowings (Note 12)	(10,769)
Trade and other payables	(2,717)
Provisions (Note 15)	(484)
Current tax liabilities	(8)
	48,350
Non-controlling interests	(44)
	48,306
Foreign currency translation differences reclassified to profit or loss	24,033
Loss on disposal of discontinued operations	(8,048)
Proceeds from disposal of discontinued operations	64,291
Consideration received, satisfied in cash	64,291
Less: Deferred consideration	(3,572)
Less: Cash and cash equivalents disposed of	(126)
Net cash inflows	60,593

27 Operating segments

Basis of segmentation

The Group has the following two strategic divisions, which are its reportable segments. These divisions offer different products and are managed separately because they require different technology and marketing strategies.

The following summary describes the operations in each of the Group's reportable segment.

Reportable segments	Operations
Crops	It includes production and sale of agriculture produce in the Russian Federation, mainly winter wheat, sunflower and corn
Livestock	It includes the breeding of dairy cows for milk production and sale of livestock

The Group's chief executive officer reviews the internal management reports of each division at least quarterly.

Other operations include other non-significant segments. None of these segments met the quantitative thresholds for reportable segments in 2024 and 2023.

There are varying levels of integration between the Crop segment and Livestock segment. This integration includes transfer of harvested crops for production of feed for dairy cow consumption. Inter-segment pricing is determined on an arm's length basis.

Information about reportable segments

Information related to each reportable segment is set out below. Segment profit (loss) before tax is used to measure performance because management believes that such information is the most relevant in evaluating the results of the respective segments relative to other entities that operate in the same industries.

	Discontinued operations				Continuing operations		Total \$'000
	Crops \$'000	Livestock \$'000	Others \$'000	Eliminations \$'000	Total \$'000	Others \$'000	
2024							
External revenue	7,011	4,593	643	–	12,247	–	12,247
Inter-segment revenue	1,061	–	–	(1,061)	–	–	–
Segment revenue	8,072	4,593	643	(1,061)	12,247	–	12,247
Segment loss before tax	(13,380)	(4,237)	(423)	–	(18,040)	(4,621)	(22,661)
Other operating income/ (expenses)	316	198	29	–	543	(519)	24
Loss on disposal discontinued operations	(4,607)	(3,018)	(423)	–	(8,048)	–	(8,048)
Finance income	27	17	2	–	46	3,378	3,424
Finance costs	(554)	(197)	(26)	–	(777)	(688)	(1,465)
Depreciation	(891)	(133)	(23)	–	(1,047)	–	(1,047)
Segment assets	–	–	–	–	–	53,034	53,034
Capital expenditure	375	53	11	–	439	–	439
Segment liabilities	–	–	–	–	–	1,294	1,294

Don Agro International Limited
and its subsidiaries
Condensed interim financial statements
For the six months and full year ended 31 December 2024

	Discontinued operations				Total \$'000	Continuing operations	
	Crops \$'000	Livestock \$'000	Others \$'000	Eliminations \$'000		Others \$'000	Total \$'000
For the six-month period 31 December 2023							
External revenue	8,862	4,431	355	–	13,648	–	13,648
Inter-segment revenue	1,061	–	–	(1,061)	–	–	–
Segment revenue	9,923	4,431	355	(1,061)	13,648	–	13,648
Segment (loss)/profit before tax	(5,634)	2,099	(18)	–	(3,553)	839	(2,714)
Other operating income	563	226	10	–	799	1,273	2,072
Finance income	–	–	–	–	–	84	84
Finance costs	(589)	(73)	(77)	–	(739)	–	(739)
Depreciation	–	–	–	–	–	–	–
Capital expenditure	327	37	24	–	388	–	388

Geographical information

External customers of the Group are located in the Russian Federation. The Group carries out its operations in the Russian Federation and all the Group's non-current assets are located in the Russian Federation.

Major customers

The following are the major customers with revenue equal to and/or more than 10% of the Group's total revenue during the year:

	6 months ended 31 December 2024 \$'000	6 months ended 31 December 2023 \$'000	12 months ended 31 December 2024 \$'000	12 months ended 31 December 2023 \$'000
LLC Grain Service	–	5,134	1,277	7,001
JSC Voronezhsky Milk Combinat	–	3,678	3,804	8,569
LLC Rubickon	–	–	3,441	–
JSC Aston	–	–	1,874	–
LLC TD Zerno Zavolzhia	–	–	–	4,361
LLC Gefest Agro	–	–	–	2,234
LLC Demetra Trading	–	–	–	1,762
	–	8,812	10,396	23,927

28 Acquisition of subsidiary

On 17 March 2023, LLC ZMK 161 was acquired by the Group through the sales of 90% of equity shares owned by IE Varchich Alexey for an aggregate consideration \$1,684,000. This consideration includes the purchase of a 90% stake in LLC ZMK 161 for \$3,000 and the purchase of flour milling equipment of \$1,681,000 was settled in cash for \$1,684,000.

	2023 \$'000
Property, plant and equipment	1,701
Other non-current assets	1
Current tax assets	10
Inventories	10
Trade and other receivables	2
Loans and borrowings	(71)
Provisions	(7)
Trade and other payables	(19)
Current tax liabilities	(1)
Net assets acquired	1,626
Goodwill arising from acquisition of of LLC ZMK 161(Note 28)	58
Total consideration transferred	1,684

Effect on cash flows of the Group

	2023 \$'000
Cash paid	1,684
Less: cash and cash equivalents in subsidiary acquired	–
Net cash outflow from acquisition of subsidiaries	1,684

Goodwill

The acquired subsidiary is involved in the sale of flour. Flour milling segment also owns flour production equipment with a total annual capacity of 13.0 thousand tonnes of flour. The goodwill of \$58,000 is attributable to Group opportunity expected to arise after the acquisition, namely flexibility in deciding whether to sell grain to traders or to mill it into two different flour grades, bran or semolina.

With higher flour prices per tonne compared to 12.5% protein wheat and the lower worldwide shipping costs, producing flour will enable the Group to enter the markets of South-East Asia and the Middle East and North African countries.

29 Goodwill

	2024 \$'000	2023 \$'000
Balance at 1 January	436	471
Acquisitions through business combination (Note 27)	–	58
Disposal of discontinued operations (Note 25)	(422)	–
Effect on movements in exchange rates	(14)	(93)
Balance at 31 December	–	436

Impairment testing for Cash Generating Unit (“CGU”) containing Goodwill

Goodwill that arose from the acquisition of LLC Volgo-Agro has been allocated to the Group’s CGU - LLC Volgo-Agro.

The recoverable amount of this CGU was based on its value in use, determined by discounting the pre-tax future cash flows to be generated from the continuing use of the CGU. The estimated recoverable amount of the CGU is higher than the carrying value of the CGU. The key assumptions used in the estimation of the recoverable amount are set out below. The values assigned to the key assumptions represent management’s assessment of future trends in the industry and have been based on historical data from internal sources:

	2023
	%
Pre-tax discount rate	20.0
Terminal value growth rate	<u>4.0</u>

The discount rate was a pre-tax measure estimated based on management’s estimate of the segment’s weighted-average cost of capital. The cash flow projections included specific estimates for five years and a terminal growth rate thereafter. The terminal growth rate was determined based on management’s estimate of the long-term compound annual revenue growth rate, consistent with the assumptions that a market participant would make. Revenue growth was projected taking into account the estimated sales volume and price growth for the next five years. In 2023 the estimated recoverable amount of the CGU exceeded its carrying amount by approximately \$3,890,000 respectively and no impairment was recorded.

No sensitivity analysis was disclosed as the Group believes that any reasonable plausible change in the key assumption is not likely to materially cause the recoverable amount to be lower than its carrying value.

30 Revaluation of land

In 2023, management commissioned LLC AAR to independently appraise land as at 31 December 2023 which, in accordance with the Group’s accounting policy, is measured at fair value. The fair value of land was determined to be \$30,585,000 as at 31 December 2023.

Valuation

As of 31 December 2023, had the freehold land been carried at historical costs, the carrying amount would have been \$5,359,000.

The carrying amounts of the freehold properties as at 31 December 2023 were based on independent valuations undertaken by an independent valuer, having appropriate professional qualifications and recent experience in the location and category of property being valued.

The fair value measurement for the freehold land has been categorised as a Level 3 fair value based on the inputs to the valuation technique used.

Valuation technique

The freehold land carried at valuation were valued using the comparison approach which entails analysing recent transactions and asking prices of similar properties in and around the locality for comparison purposes with adjustments made for differences in location, size, condition, tenure, title restrictions, if any and other relevant characteristics.

In 2023, the key unobservable input used in the valuation are the sales price per hectare of \$1,672 for the agricultural lands in Rostov region, the sales price per hectare of \$300 for the agricultural lands in Volgograd region, the sales price per hectare of \$25,223 for the industrial lands derived from market data from an active and transparent market. The estimated fair value will increase when the sale price increases.

There were no transfers between the levels in the fair value hierarchy.

The following table shows a reconciliation for Level 3 fair values.

	Land 2024 \$'000	Land 2023 \$'000
At 1 January	30,585	35,369
Additions	89	182
Addition of subsidiary	–	96
Disposals/Write-off	(14)	–
Revaluation	4,793	1,789
Disposed of discontinued operations (Note 6)	(34,468)	–
Effect of movement in exchange rates	(985)	(6,851)
At 31 December	<u>–</u>	<u>30,585</u>

31 Subsequent events

There are no known subsequent events which have led to adjustments to this set of condensed interim financial statements.

32 Other information required by Catalist Rule Appendix 7C

32.1 Review

The condensed consolidated statements of financial position of Don Agro International Limited and its subsidiaries as at 31 December 2024 and the related condensed consolidated profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period and full year then ended and certain explanatory notes have not been audited or reviewed.

The Group's latest financial statements for the year ended 31 December 2023 were not subject to an adverse opinion, qualified opinion or disclaimer of opinion.

32.2 Review of performance of the Group

Consolidated Statement of Financial Position and Consolidated Statement of Profit/Loss and Other Comprehensive Income

As mentioned in Note 26, the Group completed the sale of its agricultural subsidiaries in July 2024 and therefore the financial performance for these subsidiaries from July 2024 onwards were deconsolidated from the consolidated financial statements for the six months and full year ended 31 December 2024. Also, the financial results of these subsidiaries are presented as a separate line as loss from discontinued operations in consolidated statement of profit or loss and other comprehensive income and are disclosed in Note 26.

The disposal of discontinued operations has resulted in reductions in the Group's financial result from discontinued operations and its financial positions.

Administrative expenses

The administrative expenses increased by approximately \$5.0 million or 274% from approximately \$1.8 million in FY2023 to approximately \$6.8 million in FY2024. The increase is mainly attributable to i) increase in consulting services of approximately \$2.0 million due to i) the preparation of the sale of shares in Don Agro LLC, Volgo-Agro LLC, LLC, Don Agrarian Group JSC and Don Muchnov LLC ("**Target Group**"); and ii) professional fees including fees for due diligence and audit fees in relations to the proposed acquisition of shares in 812 Capital LLC and Centre Innovative Medical Technologies LLC; and ii) increase in wages in salaries due to payment of the bonus for Key Management personnel of approximately \$3.0 million for comprehensive encouragement for long-term support of an agricultural companies' project from the purchase to sale in July 2024.

Other operating expenses (income), net

The other operating expense/(income), net decreased by approximately \$1.7 million from other operating income of approximately \$1.2 million in FY2023 to other operating expense of approximately \$1.2 million in FY2024. The decrease is mainly attributable to a one-off accrual incurred in FY 2023 as an income non-refundable advance from prospective purchaser of Target Group- LLC Volgo-Don Agroinvest as a result of cancelled deal from the purchaser's side.

Finance income, net

Finance income/cost, net increased by \$2.7 million or 2.902.3% from finance cost of approximately \$0.1 million in FY2023 to finance income of approximately \$2.7 million in FY2024. The increase is mainly attributable to i) increase in interest income from bank deposits and from third's party borrower LLC SGC Blagovar of approximately \$3.3 million due to higher interest rates as result of increase in the Key rate of Central Bank Russian Federation which was partly offset by the negative foreign currency differences of approximately \$0.6 million as a result of depreciation in Russian Ruble.

Tax expense

Tax expenses decreased by approximately \$0.1 million or 100.0% from approximately \$0.1 million in FY2023 to approximately \$nil million in FY2024. The decrease was mainly due to a one-off tax expense incurred in FY2023 for the non-refundable advance as a result of a cancelled sale of target asset.

Consolidated Statement of Cash Flows

Net cash flows from operating activities

Cash flows used in operating activities of \$11.8 million in FY2024 was mainly due changes i) a loss from change in fair value of biological assets and agricultural produce amounting to \$9.8 million; ii) a loss on disposal of discontinued operations to \$8.0 million; and iii) total outflow due to changes in a working capital of \$6.6 million.

Net cash flows from investing activities

Cash flows from investing activities of \$30.2 million was mainly due to (i) outflow from loan issue of \$1.4 million; (ii) proceeds from sale of property, plant and equipment \$0.2 million, (iii) proceeds from interest received of \$3.4 million; (iv) outflow from purchase of property, plant and equipment of \$0.4 million; (v) consideration received as result of disposal of an agricultural subsidiaries of \$60.6 million; and (vi) outflow due to the changes in restricted deposits of \$32.0 million.

Net cash flows used in financing activities

Net cash from financing activities amounted to approximately \$4.3 million, which was mainly attributable to (i) repayment of borrowings of approximately \$2.5 million in relation to the bank loans; (ii) interest paid of approximately \$0.8 million; (iii) repayment of finance lease of approximately \$0.1 million and (iv) proceeds from borrowings of approximately \$7.5 million.

As a result of the above, cash and cash equivalents increased by approximately \$18.8 million during FY2024. Cash and cash equivalents as at 31 December 2024 amounted to \$21.1 million.

32.3 Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results

There is no variance between the forecast disclosed in previous results announcement and the actual results

32.4 A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

As mentioned in the results announcement for HY2024, the Group became a cash company.

However, the Group will plan to acquire the shares in Centre for Innovative Medical Technologies, LLC and LLC 812 Capital (Medical business) after fulfilling the SGX's requirements. For details, please refer to the announcement dated 12 September 2024, 14 September 2024, 21 January 2025 and 27 February 2025.

The Group will make a strong effort to exit the Cash Company status.

32.5 Dividend information

There is no final dividend declared or recommended for FY2024 as the Group plans to conserve cash for its working capital requirements and future expansion plan.

There was no final dividend declared or recommended for FY2023.

32.6 Interested person transactions

The Group has not obtained a general mandate from shareholders for recurrent interested person transactions.

32.7 In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the operating segments.

Please refer to Paragraph 30.2 for the review of performance of the Group.

32.8. Breakdown of Group’s revenue and profit/ (loss) after tax for first half year and second half year.

	FY2024	FY2023	Increase/ (Decrease)
	\$’000	\$’000	%
(a) Revenue reported for first half year	12,797	17,331	(26.2)
(b) Loss after tax before deducting non-controlling interests reported for first half year	(13,846)	(1,342)	931.7
(c) Revenue reported for second half year	–	13,648	(100.0)
(d) Loss after tax before deducting non-controlling interest reported for second half year	(8,877)	(2,946)	201.7

32.9. A breakdown of the total annual dividend (in dollar value) for the issuer’s latest full year and its previous full year

	FY2024	FY2023
	\$’000	\$’000
Ordinary shares (tax exempt 1- tier)		
- Interim	–	–
Total Annual Dividend	<u>–</u>	<u>–</u>

32.10 Confirmation that the issuer has procured undertaking from all its directors and executive officers (in the format set out in Appendix 7H) under Catalist Rule 720(1)

The Company has received undertaking from all its directors and executive officers in the format as set out in Appendix 7H under Catalist Rule 720(1) of the Listing Manual of the SGX-ST.

32.11 Disclosure of acquisition (including incorporations) and sale of shares under Catalist Rule 706A

Not applicable, as the Company did not acquire of any shares in 2H FY2024 which would require disclosure under Catalist Rule 706A.

On 29 April 2024, the Group announced the proposed disposal of shares in Don Agro LLC, Volgo-Agro LLC, Don Muchnov LLC, and Don Agrarian Group JSC, being subsidiaries in the business of crop, milk and flour production (“**Announcement**”) (the “Proposed Disposal”). The Proposed Disposal was approved by its shareholders at the extraordinary general meeting convened on 21 June 2024 and has been fully completed on 12 July 2024. Accordingly, Don Agro LLC, Don Muchnov LLC, Volgo Agro LLC and Don Agrarian Group JSC have ceased to be subsidiaries of the Company in July 2024.

32.12 Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(10) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Pursuant to Rule 704(10) of the Listing Manual, Don Agro International Limited confirms that there are no persons occupying a managerial position in the Company or in any of its principal subsidiaries who is a relative of a director, chief executive officer or substantial shareholder of the Company.

BY ORDER OF THE BOARD

Marat Devlet-Kildeev

Chief Executive Officer and Executive Director

28 February 2025

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.

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