

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

RESPONSES TO QUERIES RECEIVED FROM THE SINGAPORE EXCHANGE

The Board of Directors of Don Agro International Limited (the “**Company**”) wishes to announce its responses to the queries raised by the Singapore Exchange (“**SGX**”) to the Company on 27 October 2023 in relation to the Company’s announcement dated 26 October 2023 (the “**Announcement**”) on the update on the proposed disposal by its wholly-owned subsidiary, JSC Tetra (“**Tetra**”), of Don Agro LLC, Volgo-Agro LLC, HAPPY COW, LLC and JSC Don Agro (the “**Proposed Disposal**”).

Save as expressly stated or the context otherwise requires, capitalised terms shall have the meaning ascribed to them in the Announcement and/or the circular dated 3 August 2023.

SGX Queries	Company’s Responses
<p>Please provide clarification on the following:</p> <p>1) We note that Tetra had notified the Purchaser on the former’s fulfilment of the conditions precedent for the Proposed Disposal on several occasions but did not receive any formal correspondence from the Purchaser. As a result, the longstop date has lapsed and the Purchaser did not adhere to its obligations as stipulated in the Sale & Purchase Agreement dated 5 June 2023 (“SPA”).</p>	
<p>a) Please provide a status update on the validity of the SPA.</p>	<p>As of the date of this announcement, the SPA remains in force and valid.</p>
<p>b) What are the Company’s recourse in view of the above developments?</p>	<p>Based on the SPA, the Company has the following recourse in view of the above developments:</p> <p>a. Tetra can continue to engage with the Purchaser to complete the Proposed Disposal.</p> <p>b. Alternatively, Tetra has the option to terminate the SPA in accordance with the terms and conditions of the SPA. In the case of such termination, the undertakings given by the parties under the SPA including those related to transfer the Sales Shares including those related to transfer the Sales Shares shall cease.</p>
<p>c) What are the Company’s plans on its next course of action?</p>	<p>The Company understands from the Purchaser that due to significant changes of the terms of bank lending after the increase of the key rate by the Bank of Russia, the Purchaser is met with a more expensive bank financing for the transactions contemplated under the SPA. Hence, the Purchaser has changed its position on completing the</p>

	<p>transaction on the agreed terms and conditions of the SPA and wishes to re-negotiate the consideration for the Proposed Disposal to a lower amount.</p> <p>Based on the above, the Company is considering terminating the SPA by sending to the Purchaser a notice of termination. The Company is inclined to such decision as there are no signs from the Purchaser to move forward and complete the transactions contemplated under the SPA on the agreed terms and conditions. As at the date of this announcement, no decision has been made on this matter and the Company will update Shareholders on any material development of the Proposed Disposal.</p> <p>In the meantime, all operations of the Group remain conducted in the ordinary course of business.</p>
<p>d) Please provide the board's assessment of the impact of the lapse of the SPA longstop date on the Group's operations and financials.</p>	<p>The Board is of the opinion that the lapsing of the Long Stop Date does not have any material impact on the Group's operations. All operations of the Group remain conducted in the ordinary course of business.</p> <p>The Board is of the opinion that due to the lapsing of the Long Stop Date, the value of the Group's assets remains locked as the market capitalization of the Group remains significantly lower than the fair value of the core operating assets (Don Agro LLC and Volgo-Agro LLC) determined by the independent valuer prior to conclusion of the SPA. However, the lapsing of the Long Stop Date would not result in the Group being in a worse financial position as compared to its latest announced financial position.</p>
<p>e) Please detail the board's plans moving forward in relation to the Proposed Disposal.</p>	<p>Please see out response to query (c) above.</p>

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-KILDEYEV
Chief Executive Officer and Executive Director

2 November 2023

This announcement has been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. ("**Sponsor**"). It has not been examined or approved by the Singapore Exchange

Securities Trading Limited (“**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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