

# DON AGRO INTERNATIONAL LIMITED

Registration No. 201835258H  
(Incorporated in the Republic of Singapore)  
(**Company**)

MINUTES OF THE ANNUAL GENERAL MEETING OF THE COMPANY HELD BY WAY OF ELECTRONIC MEANS VIA LIVE WEBCAST ON WEDNESDAY, 24 JUNE 2020 AT 4:00 PM (SINGAPORE TIME).

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PRESENT VIA LIVE WEBCAST:

Directors:

Mr Evgeny Tugolukov	- Executive Chairman
Mr Marat Devlet-Kildejev	- Chief Executive Officer and Executive Director
Mr Ravi Chidambaram	- Independent Non-Executive Director
Mr Tan Han Beng	- Independent Non-Executive Director
Mr Edwin Tham Soong Meng	- Independent Non-Executive Director
<u>Management, Company Secretary, shareholders and invitees:</u>	- As set out in the attendance record maintained by the Company.

## 1. WELCOME ADDRESS

At 4:00 pm (Singapore time), Mr Evgeny Tugolukov, the Executive Chairman (**Chairman**) of Don Agro International Limited chaired the Company's Annual General Meeting (**AGM or Meeting**) and welcomed everyone at the Company's AGM. The Chairman said that due to the Covid-19, the Meeting was convened via electronic means.

The Chairman introduced the Board of Directors, management of the Company and professionals present at the Meeting through live webcast.

## 2. QUORUM

After confirming that a quorum was present, the Chairman declared the AGM open.

## 3. NOTICE OF AGM

The notice of AGM dated 9 June 2020 (**Notice of AGM**) was taken as read. The Chairman proposed all the 8 resolutions as set out in the Notice of AGM and each resolution has been decided by poll based on proxy votes received before the Meeting. The Chairman informed the Meeting that he had accepted the appointment as proxy by some shareholders to vote in respect of the resolutions if valid instructions in the proxy form were received. The results of the poll for each resolution would be declared during the course of the Meeting.

The Chairman informed the Meeting that Cypress Pines Asia Advisory Pte. Ltd., the appointed scrutineers for this meeting have independently verified all votes received for the resolutions tabled.

The Chairman informed the Meeting that there were no questions received from the shareholders prior to this Meeting.

At this juncture, the Chairman handed the Meeting to Mr Arthur Nazaryan, the Chief Financial Officer, to present an overview of the Company's FY2019 results. Mr Nazaryan welcomed everyone to the Company's AGM held online through video and audio. He would have preferred to meet shareholders in person at the Company's first AGM since its listing but because of the current covid-19 situation, such meeting would have to wait for another occasion.

Mr Nazaryan gave an overview of the Company's FY2019 results as follows:

The revenue increased by approximately S\$11.0 million or 45.3%, from approximately S\$24.4 million in FY2018 to approximately S\$35.4 million in FY2019. The revenue from sale of crop production increased by approximately S\$8.9 million, or 53.5% from S\$16.7 million in FY2018 to S\$25.7 million

in FY2019. The increase of approximately S\$8.9 million is due to (i) higher yield per hectare of land in FY2019; (ii) higher market price for sunflower harvested in FY2019; and (iii) the sale in FY2019 of the stock of the sunflower harvested in FY2018 due to higher price available in FY2019 than in FY2018.

The revenue from sale of livestock and milk increased by approximately S\$2.1 million, 29.1% from S\$7.5 million in FY2018 to S\$9.6 million in FY2019. The increase of approximately S\$2.1 million is due to increase in the milk yield per cow from 17.1 litre to 18.5 litre and increase in price of raw milk from S\$0.59 to S\$0.62 per litre.

The cost of sales increased by approximately S\$11.3 million or 51.5% from approximately S\$22.0 million in FY2018 to approximately S\$33.3 million in FY2019. The increase in the cost of sales is mainly attributable to an increase in biological assets sold of approximately S\$10.6 million mainly due to higher volume of crops sold (mostly relates to sunflower harvested in FY2018 that was sold in FY2019).

The gain from change in fair value of biological assets and agricultural produce decreased by approximately S\$0.2 million or 3.0% from a gain from change in fair value of approximately S\$6.7 million in FY2018 to a gain from change in fair value of approximately S\$6.5 million in FY2019. The decrease is mainly attributable to a decrease in the gain from change in fair value of crops of approximately S\$1.0 million due to decrease in the agricultural produce's prices in line with world economic trend. The decrease was partly offset by a slight increase in the gain in fair value of livestock in FY2019 of approximately S\$0.1 million mainly due to an increase in the milk yield per cow per day from 17.1 litres to 18.5 litres and raw milk price increasing from S\$0.59 per litre in FY2018 to S\$0.62 per litre in FY2019.

Mostly due to the factors mentioned above, profit for FY2019 amounted to S\$5.22 million compared to S\$6.39 million for FY2018.

Our financial position is very strong, balance of cash and cash equivalents increased from S\$1.26 million as at 31.12.2018 up to S\$4.65 million as at 31.12.2019 whereas loans and borrowings of the Company decreased from S\$6.88 million as at 31.12.2018 to S\$5.67 million as at 31.12.2019.

We do not have a fixed dividend policy, but as stated in our offer document during our initial public offering in February 2020, the Board intends to distribute dividends of up to 20.0% of the net profit for FY2019. The Directors are pleased to recommend a tax exempted one tier final dividends of S\$0.006934 per share.

Mr Nazaryan thanked the shareholders for their attention and handed the Meeting back to Chairman. The Chairman proceeded with the resolutions tabled at this Meeting (please refer to "**Appendix 1**" for the full voting results).

## **ORDINARY BUSINESS**

### **4. DIRECTORS' STATEMENT AND AUDITED FINANCIAL STATEMENTS – RESOLUTION 1**

The Chairman informed the Meeting that the first item on the agenda was to receive and adopt the Directors' Statement and the Audited Financial Statements for the financial year ended 31 December 2019, together with the Auditors' Report thereon.

Based on the proxy votes received, the results were:

Votes For: 100%  
Votes Against: 0%

The Chairman declared Resolution 1 carried.

IT WAS RESOLVED THAT the Directors' Statement and the Audited Financial Statements for the financial year ended 31 December 2019, together with the Auditors' Report be received and adopted.

### **5. RE-ELECTION OF MR EDWIN THAM SOONG MENG AS A DIRECTOR – RESOLUTION 2**

The Chairman moved on to the next item on the agenda relating to the re-election of Mr Edwin Tham Soong Meng as a director of the Company.

Based on the proxy votes received, the results were:

Votes For: 100%  
Votes Against: 0%

The Chairman declared Resolution 2 carried.

IT WAS RESOLVED THAT Mr Edwin Tham Soong Meng be re-elected as a director of the Company.

6. RE-ELECTION OF MR TAN HAN BENG AS A DIRECTOR – RESOLUTION 3

The Chairman moved on to the next item on the agenda relating to the re-election of Mr Tan Han Beng as a director of the Company.

Based on the proxy votes received, the results were:

Votes For: 100%  
Votes Against: 0%

The Chairman declared Resolution 3 carried.

IT WAS RESOLVED THAT Mr Tan Han Beng be re-elected as a director of the Company.

7. DIRECTORS' FEES – RESOLUTION 4

The Chairman moved on to the next item on the agenda on Directors' fees of S\$180,000 for the financial year ending 31 December 2020, payable by the Company in arrears not later than 31 December 2020.

Based on the proxy votes received, the results were:

Votes For: 100%  
Votes Against: 0%

The Chairman declared Resolution 4 carried.

IT WAS RESOLVED THAT Directors' fees of S\$180,000 for the financial year ending 31 December 2020, payable by the Company in arrears not later than 31 December 2020 be approved.

8. FINAL TAX EXEMPT ONE-TIER DIVIDEND – RESOLUTION 5

The Chairman moved on to the next item on the agenda relating to the payment of a final tax exempt one-tier dividend of 0.693406 Singapore cents per ordinary share for the financial year ended 31 December 2019.

Based on the proxy votes received, the results were:

Votes For: 100%  
Votes Against: 0%

The Chairman declared Resolution 5 carried.

IT WAS RESOLVED THAT the payment of a final tax exempt one-tier dividend of 0.693406 Singapore cents per ordinary share for the financial year ended 31 December 2019 be approved.

9. RE-APPOINTMENT OF AUDITORS – RESOLUTION 6

The Chairman moved on to the next item on the agenda relating to the re-appointment of KPMG LLP as auditors of the Company for the financial year ending 31 December 2020 and to authorise the Directors to fix their remuneration. KPMG LLP had expressed their willingness to continue as auditors of the Company.

Based on the proxy votes received, the results were:

Votes For: 100%  
Votes Against: 0%

The Chairman declared Resolution 6 carried.

IT WAS RESOLVED THAT KPMG LLP be re-appointed auditors of the Company for the financial year ending 31 December 2020 and that the Directors be authorised to fix their remuneration.

## **SPECIAL BUSINESS**

### 10. AUTHORITY TO ALLOT AND ISSUE SHARES – RESOLUTION 7

The Chairman proceeded to deal with the special business on the agenda. The proposed Resolution 7 is to seek shareholders' approval to authorise the Directors to allot and issue further shares in the capital of the Company under section 161 of the Companies Act, Chapter 50 and Rule 806 of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited as set out in the Notice of AGM.

Based on the proxy votes received, the results were:

Votes For: 100%  
Votes Against: 0%

The Chairman declared Resolution 7 carried.

IT WAS RESOLVED THAT Resolution 7 as set out in the Notice of AGM be approved.

### 11. AUTHORITY TO GRANT OPTIONS AND ISSUE SHARES UNDER THE DON AGRO EMPLOYEE SHARE OPTION SCHEME – RESOLUTION 8

The Chairman proceeded to deal with the special business on the agenda. The proposed Resolution 8 is to seek shareholders' approval to authorise and empower the Directors of the Company, to grant options and to allot and issue shares under Don Agro Employee Share Option Scheme as set out in the Notice of AGM.

Based on the proxy votes received, the results were:

Votes For: 100%  
Votes Against: 0%

The Chairman declared Resolution 8 carried.

IT WAS RESOLVED THAT Resolution 8 as set out in the Notice of AGM be approved.

### 12. CONCLUSION OF MEETING

There being no further business, the Chairman declared the meeting closed at 4:18 pm and thanked all for participating the Meeting.

Confirmed,

Evgeny Tugolukov  
Chairman

**“Appendix 1”**

Resolutions		Total Number of shares represented by votes for and against the relevant resolution	For		Against	
			No. of Shares	%	No. of Shares	%
1	To receive and adopt the Directors' Statement and Audited Financial Statements for the financial year ended 31 December 2019, together with the Auditors' Report thereon.	125,066,100	125,066,100	100%	0	0.00
2	To re-elect Mr Edwin Tham Soong Meng, who is retiring by rotation under regulation 94 of the Company's Constitution.	125,066,100	125,066,100	100%	0	0.00
3	To re-elect Mr Tan Han Beng, who is retiring by rotation under regulation 94 of the Company's Constitution.	125,066,100	125,066,100	100%	0	0.00
4	To approve Directors' fees of S\$180,000 for the financial year ending 31 December 2020, payable by the Company in arrears not later than 31 December 2020.	125,066,100	125,066,100	100%	0	0.00
5	To declare a final tax exempt one-tier dividend of 0.693406 Singapore cents per ordinary share for the financial year ended 31 December 2019.	125,066,100	125,066,100	100%	0	0.00
6	To re-appoint KPMG LLP as auditors of the Company for the financial year ending 31 December 2020 and to authorise the Directors of the Company to fix their remuneration.	125,066,100	125,066,100	100%	0	0.00
Special Business						
7	To authorise the directors to issue and allot shares and/or instruments pursuant to Section 161 of the Companies Act, Cap. 50	125,066,100	125,066,100	100%	0	0.00
8	To authorise the directors to grant options and issue shares under the Don Agro Employee Share Option Scheme.	125,066,100	125,066,100	100%	0	0.00

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Don Agro International Limited (the “Company”) was listed on Catalist of the Singapore Exchange Securities Trading Limited (the “SGX-ST”) on 14 February 2020. The initial public offering of the Company was sponsored by PrimePartners Corporate Finance Pte. Ltd. (the “Sponsor”).

This announcement has been prepared by the Company and its contents have been reviewed by the Sponsor in accordance with Rules 226(2)(b) and 753(2) of the SGX-ST Listing Manual Section B: Rules of Catalist.

This announcement has not been examined or approved by the SGX-ST. The SGX-ST 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.

The contact person for the Sponsor is Mr Joseph Au, Associate Director, Continuing Sponsorship (Mailing Address: 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318 and Email: [sponsorship@ppcf.com.sg](mailto:sponsorship@ppcf.com.sg)).