THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to what action you should take, you are recommended to consult your stockbroker, solicitor, accountant or other appropriate independent financial adviser duly authorised, if you are resident in the United Kingdom, under the Financial Services and Markets Act 2000 or, if you are not so resident, under the relevant applicable local law. This document should be read in conjunction with the accompanying form of acceptance and prospectus.

If you have sold or otherwise transferred all of your registered holding of 9.5 per cent guaranteed sterling notes 2015/17 issued by REA Finance B.V., please send this document and the accompanying form of acceptance, reply paid envelope and prospectus relating to the new 8.75 per cent guaranteed sterling notes 2020 proposed to be created by REA Finance B.V. to the purchaser or other transferee, or to the stockbroker or other agent through whom the sale or transfer was effected for delivery to the purchaser or transferee. However, these documents should not be forwarded or transmitted into Australia, Canada, Japan, the United States or any other jurisdiction where the making of the offer set out in this document in, or where the forwarding or transmission of these documents into, such jurisdiction would constitute a violation of the law of such jurisdiction.

Applications will be made to each of the Financial Conduct Authority and the London Stock Exchange for the new 8.75 per cent guaranteed sterling notes 2020 proposed to be created by REA Finance B.V.in connection with the offer set out in this document to be admitted to, respectively, the Official List and trading on the Regulated Market of the London Stock Exchange. It is expected that such admissions will become effective, and that dealings in the new sterling notes issued will commence, on 3 September 2015.

R.E.A. Holdings plc

(Incorporated in England and Wales under the Companies Act 1985 with registered number 671099)

Offer on behalf of REA Finance B.V. to acquire all of the outstanding 9.5 per cent guaranteed sterling notes 2015/2017 issued by REA Finance B.V. in exchange for new 8.75 per cent guaranteed sterling notes 2020 to be issued by REA Finance B.V. and notice of general meeting of the holders of the 9.5 per cent guaranteed sterling notes 2015/2017 issued by REA Finance B.V. convened in connection therewith

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The offer contained in this document will remain open for acceptance until 1 September 2015. To be valid, forms of acceptance must be completed in accordance with the instructions printed thereon, signed and returned to Capita Asset Services Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU as soon as possible and in any event so as to arrive by no later than 11.00 a.m. (BST) on 1 September 2015.

Notice of a meeting of the holders of 9.5 per cent guaranteed sterling notes 2015/17 issued by REA Finance B.V. convened for 12.00 noon (CEST) on 27 August 2015 to be held at the offices of Alter Domus B.V on 6th Floor, De Boelelaan 7, 1083 HJ Amsterdam, The Netherlands is set out on pages 48 to 52 of this document. A form of proxy for use in connection with such meeting is enclosed with this document. For the appointment of a proxy to be valid, the form of proxy should be completed and returned to Capita Asset Services at PXS, 34 Beckenham Road, Beckenham, Kent BR3 4TU as soon as possible and in any event so as to arrive by no later than 11.00 a.m. (BST) on 25 August 2015. The appointment of a proxy will not preclude a holder of sterling notes from attending and voting in person at the meeting should such holder so wish.

Capita Trust Company Limited, as trustee for the holders of the 9.5 per cent guaranteed sterling notes 2015/17 issued by REA Finance B.V., (the "trustee") has not been involved in the formulation of, nor approved, the offer to those holders or the other proposals contained in this document. The proposals have been formulated by, and are being put forward by, R.E.A. Holdings plc in conjunction with REA Finance B.V. In accordance with normal practice, the trustee expresses no opinion as to the purpose or the merits (or otherwise) of the offer or the other proposals and nothing in this document should be construed as a recommendation from the trustee to holders of such notes to accept or reject the offer or to vote in favour of or against the extraordinary resolution set out in this document. The trustee has not verified the information contained herein, nor has it assumed any responsibility for doing so. The trustee is not responsible for the accuracy, completeness, validity or correctness of the statements made, documents referred to or opinions expressed in this document, nor for any omissions therefrom.

Noteholders should take their own advice on the merits and/or the consequences of accepting or rejecting the offer and of voting in favour of or against the extraordinary resolution, including any tax consequences.

CONTENTS

EXPECTED TIMETABLE

Latest time and date for receipt of completed forms of proxy for use at the meeting of the holders of sterling notes	11.00 a.m. (BST) on 25 August 2015
Announcement of the interim results of the group in respect of the six months ended 30 June 2015	26 August 2015
Meeting of the holders of existing sterling notes	12.00 noon (CEST) on 27 August 2015
Latest time and date for receipt of completed forms of acceptance and TTE instructions in connection with the offer, and, if applicable, the payment due on exercise of the top-up option	11.00 a.m. (BST) on 1 September 2015
Admission of new sterling notes issued pursuant to the offer to the Official List and to trading on the London Stock Exchange effective, and offer unconditional	8.00 a.m. (BST) on 3 September 2015
CREST accounts credited in respect of new sterling notes issued pursuant to the offer	3 September 2015
Definitive certificates despatched in respect of new sterling notes issued pursuant to the offer and balance certificates, if applicable, despatched in respect of existing sterling notes	17 September 2015
CREST accounts credited and cheques despatched in respect of the cash element of the consideration payable pursuant to the offer	17 September 2015

DEFINITIONS

Unless the context otherwise requires, the following definitions apply throughout this document:

"Capita Asset Services"	a trading name of Capita Registrars Limited
"CREST"	the computerised settlement system operated by Euroclear to facilitate the transfer of title to securities held in uncertificated form
"CREST Manual"	the manual published by Euroclear
"electronic acceptance"	the inputting and settling of a TTE instruction which constitutes or is deemed to constitute an acceptance of the offer on the terms set out in this document
"Escrow Agent"	Capita Asset Services in its capacity as a CREST receiving agent
"Euroclear"	Euroclear UK & Ireland Limited
"existing sterling notes"	the £50,000,000 nominal of 9.5 per cent sterling notes 2015/17 of REA Finance, being notes that are irrevocably and unconditionally guaranteed by REAH and REA Services, of which £34,540,000 in nominal amount are currently in issue
"form of acceptance"	the form of acceptance and transfer for use in connection with the offer by those holders of existing sterling notes who hold their existing sterling notes in certificated form (that is, not in CREST), a copy of which form accompanies this document
"group"	REAH and its subsidiaries
"Indonesian debtor subsidiary"	any qualifying subsidiary which is indebted to REA Services, for so long as such subsidiary is so indebted
"London Stock Exchange"	London Stock Exchange plc
"new sterling notes"	the £40,000,000 nominal of 8.75 per cent sterling notes 2020 proposed to be created by REA Finance and irrevocably and unconditionally guaranteed by REAH and REA Services
"offer"	the offer by REAH on behalf of REA Finance to acquire all of the outstanding existing sterling notes in exchange for new sterling notes, as set out in this document and in the accompanying form of acceptance; and references to the offer include, where the context so admits, the top-up option

"Official List"	the list maintained by the Financial Conduct Authority in accordance with section 74(1) of the Financial Services and Markets Act 2000
"prospectus"	the prospectus published by REA Finance in relation to the new sterling notes, dated 1 July 2015, a copy of which accompanies this document
"qualifying subsidiary"	any subsidiary of REAH incorporated in Indonesia and engaged in the cultivation of oil palms and/or the processing of oil palm fruit
"REAH"	R.E.A. Holdings plc
"REA Finance"	REA Finance B.V., a wholly owned subsidiary of REAH, being a private company with limited liability incorporated under the laws of the Netherlands
"REA Kaltim"	PT REA Kaltim Plantations, a subsidiary of REAH incorporated in Indonesia and engaged in the cultivation of oil palms and/or the processing of oil palm fruit, being the holding company for all of the agricultural operations of the group
"REA Kaltim sub-group"	REA Kaltim and its subsidiaries
"REA Services"	R.E.A. Services Limited, a wholly owned subsidiary of REAH, being a private company limited by shares incorporated in England and Wales
"restricted jurisdiction"	any jurisdiction where the making of the offer in such jurisdiction would constitute a violation of the law of such jurisdiction
"sterling notes"	the existing sterling notes and/or the new sterling notes, as the context may require
"SYB"	PT Sasana Yudha Bhakti, a subsidiary of REAH incorporated in Indonesia and engaged in the cultivation of oil palms and/or the processing of oil palm fruit
"top-up option"	the option being offered by REA Finance to those holders of existing sterling notes (a) whose registered holding of existing sterling notes, as at 5.00 pm on 31 July 2015 (being the latest practicable date prior to the printing of this document), was less than £100,000 nominal of existing sterling notes and (b) who accept the offer in respect of the whole of their holding to top-up, by means of a cash payment, that element of the subscription price of £100,000 nominal of new sterling notes that would not be met by acceptance of the offer, as set out in this document
"trust deed"	the amended and restated trust deed dated 29 November 2010 made between (1) REA Finance

	(as issuer), (2) Capita Trust Company Limited (as trustee), (3) REAH (as guarantor) and (4) REA Services (as co-guarantor), constituting the existing sterling notes

References to "dollars" or to "$" are to the lawful currency of the United States of America. References to "sterling" or to "£" are to the lawful currency of the United Kingdom.

References to "BST" are references to British Summer Time, references to "CEST" are references to Central European Summer Time and references to "GMT" are references to Greenwich Mean Time.

R.E.A. Holdings plc

(Registered in England and Wales no 671099)

Registered office:
First Floor
32-36 Great Portland Street
London W1W 8QX

3 August 2015

To the holders of 9.5 per cent sterling notes 2015/17 issued by REA Finance B.V. and irrevocably and unconditionally guaranteed by R.E.A. Holdings plc and R.E.A. Services Limited

Dear Sir or Madam

Introduction

The purpose of this letter is to set out an offer by REA Finance to acquire all of the £34,540,000 nominal of outstanding 9.5 per cent sterling notes 2015/17 issued by REA Finance and irrevocably and unconditionally guaranteed by REAH and REA Services in exchange for new 8.75 per cent sterling notes 2020 to be created and issued by REA Finance and irrevocably and unconditionally guaranteed by REAH and REA Services. The new sterling notes would have, in commercial terms, terms and conditions substantially the same as those attaching to the existing sterling notes save as regards the interest rate payable and the redemption terms, and save that the new sterling notes would be issued and transferable in minimum denominations of £100,000 and integral multiples of £1,000 in excess thereof.

Whilst the new sterling notes will not form a single issue with the existing sterling notes, the directors of REAH consider that the substantial similarity of terms applicable to the two issues means that it would be preferable if the proposed new sterling notes were created pursuant to a deed supplemental to the trust deed, rather than by a new, standalone, trust deed. This would involve, *inter alia*, certain amendments to the trust deed, including to the form of the loan note certificate and the terms and conditions to be attached thereto to reflect the different interest rate and redemption terms applicable to the existing and new sterling notes and to provide for class meetings of existing sterling notes and new sterling notes when appropriate.

It is also proposed that:

- certain other amendments be made to the trust deed and the terms and conditions to be attached to the sterling notes as discussed in greater detail under "Creation and issue of the new sterling notes" below; and

- amendments be made to the terms of loans by REA Services to qualifying subsidiaries to adjust the repayment terms and, in the case of sterling loans, to reduce the interest payable thereunder with effect from 1 January 2018 (by which time all existing sterling notes will have been purchased and cancelled or redeemed) as discussed in greater detail under "Prescribed loans by REA Services to qualifying subsidiaries" below.

Such amendments require*, inter alia,* the sanction of the holders of existing sterling notes given by way of extraordinary resolution. Accordingly, you will find, set out on pages 48 to 52 of this document, notice of a meeting of the holders of existing sterling notes to be held at the offices of Alter Domus B.V on 6th Floor, De Boelelaan 7, 1083 HJ Amsterdam, The Netherlands on 27 August 2015 at 12.00 noon (CEST), at which the necessary resolution will be proposed.

The offer is conditional upon, *inter alia*, the passing of such resolution.

Background

The existing sterling notes were issued on terms that provided for their redemption in three equal annual instalments commencing 31 December 2015, but with the proviso that, to the extent that existing sterling notes were purchased and cancelled, the amount of existing sterling notes that REA Finance would be obliged to redeem on any subsequent redemption date would be reduced by the nominal amount of existing sterling notes purchased and cancelled prior to that redemption date (save in so far as such notes were purchased and cancelled prior to a previous redemption date and taken into account in reducing the amount of existing sterling notes otherwise due to be redeemed in relation to that redemption date).

REA Finance issued a total of £37,000,000 nominal of 9.5 per cent sterling notes 2015/17. It purchased £2,460,000 nominal of such notes in July 2011 and cancelled the same. Thus, the outstanding balance of £34,540,000 nominal of the existing sterling notes is currently redeemable (ignoring roundings) as to £9,873,333 nominal on 31 December 2015 and, as to the balance of £24,666,667 nominal, as to 50 per cent of such balance on each of 31 December 2016 and 31 December 2017. Existing sterling notes acquired by REA Finance pursuant to the offer will be cancelled which will result in adjustment of the timetable for redemption of the balance of the outstanding existing sterling notes in accordance with the foregoing provisions.

The new sterling notes would be redeemable in one instalment on 31 August 2020.

Enclosed with this document is a copy of the prospectus published by REA Finance in relation to the new sterling notes.

Reasons for the offer

The continuing growth of the Indonesian economy and a gradual shift in Indonesian political opinion towards encouraging and potentially mandating increased local ownership of Indonesian palm oil operations has reinforced the long held view of the directors of REAH on the desirability of increasing Indonesian participation in the ownership of the group's oil palm operations through a listing on the Indonesia Stock Exchange in Jakarta of, and public offering of shares in, REA Kaltim, which is the holding company for all of the agricultural operations of the group. Accordingly, the directors of REAH have resumed discussions with advisers on how best to structure a public offering in Indonesia and on the appropriate timing for such an offering. In the meantime, the group is continuing its planned extension planting programme which brings with it a requirement for investment in additional estate buildings, vehicles and equipment.

As noted above, in the absence of any further purchases of existing sterling notes by a member of the group and cancellation of the same, under the terms of the existing sterling

notes, some £9.9 million nominal of the existing sterling notes will fall due for redemption on 31 December 2015. The group has planned to meet this redemption obligation from a combination of internal cash flows and new bank borrowings, supplemented, subject to timing, by cash proceeds from the planned public offering of shares in REA Kaltim and of a placing of shares in REA Kaltim ahead of that offering.

However, the directors of REAH consider that it would be preferable for prospective new investors in REA Kaltim that monies subscribed by them for shares in that company will be applied in continuing the planned extension planting programme rather than in paying down debt. In addition, the directors believe that an extension in the maturity profile of the group's indebtedness (which would be substantially matched by an extension in the maturity profile of the REA Kaltim sub-group's indebtedness) will also be of benefit to the success of the proposed public offering by REA Kaltim. Moreover, the directors believe that it is prudent to maintain a cash cushion to permit continuation of the planned extension planting programme in the event of any unplanned events adversely affecting the future cash flows available to the group. The offer and the proposed cash placing of further new sterling notes referred to under "Proposed cash placing of further new sterling notes" below are proposed with these objectives.

The offer will, in effect, give holders of existing sterling notes the opportunity themselves to refinance the existing sterling notes.

Proposed cash placing of further new sterling notes

At the same time as making the offer, REA Finance is seeking to place, for cash at par, up to a further £5,460,000 nominal of new sterling notes.

The maximum number of new sterling notes to be placed will depend upon take–up of the top-up option described under "Top-up option" below. To the extent that the top-up option is exercised, the maximum nominal amount of new sterling notes to be placed for cash will be reduced, such that the maximum aggregate nominal amount of existing sterling notes and new sterling notes in issue, immediately following completion of the offer and placing, will not exceed £40,000,000.

The directors of REAH are comfortable that the continuing accretion of shareholder equity from retention of earnings and issues of new shares for cash means that the group can support an addition to its current indebtedness of up to £5,460,000.

To the extent that the full £40,000,000 nominal of new sterling notes are not issued pursuant to the offer and placing, the balance will remain available for issue in the future, subject always to compliance with all relevant formalities and the covenants included in the terms and conditions attaching to the sterling notes, including in particular the covenants as regards borrowing limits and the security coverage for the sterling notes.

The offer

REA Finance offers to acquire existing sterling notes on the following basis:

for each £100,000 nominal of existing sterling notes	**£100,000 nominal of new sterling notes** **plus** **£2,000 in cash** **plus** **a further amount in cash equal to the interest accrued but unpaid**

on £100,000 nominal of existing sterling notes as at the date on which the offer becomes unconditional

and so in proportion for any greater or lesser amount of existing sterling notes held, provided that acceptances in respect of less than £100,000 nominal of existing sterling notes will only be valid where (a) the acceptance is in respect of the whole of a holder's holding of existing sterling notes and (b) the accepting holder makes a cash top-up payment as described in more detail under "Top-up option" below; if the necessary top-up payment is not received, the acceptance will be invalid.

Subject as provided above as regards acceptances in respect of holdings of less than £100,000 nominal of existing sterling notes, the offer can be accepted in respect of all or any part of your holding of existing sterling notes (in amounts and multiples of £1,000).

Holders of existing sterling notes who do not wish to accept the offer, whether in whole or in part, may retain all or any of their existing sterling notes and REA Finance, REAH and REA Services will continue to comply with the terms and conditions attaching to such notes.

Existing sterling notes acquired by REA Finance pursuant to the offer will be cancelled. Subject to the offer becoming unconditional in all respects, REA Finance will not issue any further 9.5 per cent guaranteed sterling notes 2015/17.

Top-up option

Changes to regulatory requirements as regards the admission of debt securities to trading on the Regulated Market of the London Stock Exchange have increased the documentation required and thus the costs incurred in obtaining admission of retail securities, being debt securities issued in amounts and integral multiples of less than €100,000, to trading on that market. In view of such changes and the fact that as at the close of business on 31 July 2015 (being the latest practicable date prior to the printing of this document) less than three per cent of the outstanding existing sterling notes were held by holders holding less than £100,000 in nominal amount, it is proposed that the new sterling notes will be issued in minimum denominations of £100,000 and integral multiples of £1,000 in excess thereof, rather than in amounts and integral multiples of £1,000 as is the case with the existing sterling notes. Accordingly, in the absence of other arrangements, those holders holding less than £100,000 nominal of existing sterling notes would be unable to accept the offer.

So as to enable qualifying holders to accept the offer, if they should wish to do so, REA Finance is offering qualifying holders who accept the offer in respect of the whole of their respective holdings the option to top-up the shortfall by means of a cash payment to REA Finance. For this purpose, a "qualifying holder" is a holder of existing sterling notes whose registered holding of existing sterling notes was, as at 5.00 pm on 31 July 2015 (being the latest practicable date prior to the printing of this document), less than £100,000 nominal of existing sterling notes and "shortfall" means the amount by which the nominal amount of a qualifying holder's registered holding of existing sterling notes falls short of £100,000.

The amount of cash payable on exercise of this top-up option is £1,000 per £1,000 of the shortfall.

If a qualifying holder makes the requisite cash top-up payment, he will receive, pursuant to his acceptance of the offer (and assuming that the offer becomes unconditional), £100,000 nominal of new sterling notes plus the cash premium element of the consideration (namely £2,000) and the payment in lieu of accrued interest in respect of his holding of existing sterling notes (but not in respect of the shortfall).

The benefit of the top-up option is personal to those holders of existing sterling notes whose registered holding of existing sterling notes was, as at 5.00 pm on 31 July 2015 (being the latest practicable date prior to the printing of this document), less than £100,000 nominal of existing sterling notes and is not transferable.

Your attention is drawn to part III of this document, which includes further terms applicable to the top-up option.

Taxation

Your attention is drawn to paragraph 2 of part V of this document, which includes comments of a general nature relating to the tax consequences of acceptance of the offer (including exercise of the top-up option) in relation to holders of existing sterling notes who are resident and (if individuals) domiciled in the UK for tax purposes. Holders of existing sterling notes who are in any doubt as to their taxation position or who may be subject to tax in a jurisdiction other than the UK should consult their own professional adviser.

Summary of the terms and conditions attaching to the new sterling notes

The commercial terms and conditions attaching to the new sterling notes will be substantially the same as those currently attaching to the existing sterling notes save that the new sterling notes will bear interest at the fixed rate of 8.75 per cent per annum payable half-yearly on 30 June and 31 December in each year and will be redeemed at par in one instalment on 31 August 2020. In addition, for the reasons explained under "Top-up option" above, the new sterling notes will be issued in minimum denominations of £100,000 and integral multiples of £1,000 in excess thereof and accordingly will only be transferable in minimum amounts of £100,000 nominal and integral multiples of £1,000 in excess thereof provided that, where the transfer is in respect of part only of a holding, the transferor must retain a minimum holding of £100,000 nominal of new sterling notes.

As with the existing sterling notes, the payment of interest and principal and any other monies payable by REA Finance on or in respect of the new sterling notes will be irrevocably and unconditionally guaranteed by each of REAH and REA Services.

The payment of interest and principal and any other monies payable by REA Finance on or in respect of the new sterling notes will be secured in the same manner as are the primary obligations of REA Finance in respect of the existing sterling notes, namely by way of the same first charge over the bank account of REA Finance. The obligations of REA Services in respect of its guarantee obligations in respect of the new sterling notes will also be secured in the same manner as are its guarantee obligations in respect of the existing sterling notes, namely by way of the same first charges over (i) two designated bank accounts of REA Services and (ii) the rights of REA Services in respect of all monies owed to it from time to time by any subsidiary from time to time of REAH incorporated in Indonesia and engaged in the cultivation of oil palms and/or the processing of oil palm fruit. The new sterling notes and the existing sterling notes will therefore rank *pari passu* in point of security and shall be equally and rateably secured by and upon the bank accounts and receivables referred to above. The covenant set out in condition 12(A)(xx) as regards the aggregate value of the assets subject to the security will apply to the aggregate of the outstanding sterling notes from time to time.

Interest will accrue on the new sterling notes issued pursuant to the offer from (but excluding) the date on which the offer becomes fully unconditional.

The full terms and conditions proposed to be attached to the new sterling notes (being also the terms and conditions proposed to be attached to the existing sterling notes after amendment as set out in this document) are set out in part IV of this document. Your

attention is drawn to the further information regarding the proposed issue of the new sterling notes set out in the accompanying prospectus.

Creation and issue of the new sterling notes

Under the terms of the trust deed constituting the existing notes, REA Finance is, subject to certain formalities and to the proposed creation and issue not resulting in any breach of the borrowing limitation set out in the existing trust deed, permitted to create and issue additional sterling notes ranking *pari passu* in all respects and forming a single issue with the existing sterling notes by means of a deed supplemental to the trust deed. Whilst the new sterling notes will not form a single issue with the existing sterling notes, the directors of REAH consider that the substantial similarity of the terms applicable to the two issues means that it would be preferable if the proposed new sterling notes were created pursuant to a deed supplemental to the trust deed, rather than by a new, standalone, trust deed.

Accordingly, the directors of REAH are seeking the agreement of the holders of existing sterling notes to amendments to the trust deed to permit the creation and issue of the new sterling notes by means of a deed supplemental to the trust deed. They are also seeking the agreement of the holders of existing sterling notes to amendments to and confirmations of the existing security for the obligations of REA Finance and REA Services in relation to the existing sterling notes for the purposes of ensuring and confirming that the security should apply equally as regards the new sterling notes (and any further issues of notes pursuant to the trust deed as amended from time to time) as it does the existing sterling notes, including the re-issue of the Indonesian law fiduciary assignment of the receivables owed by Indonesian Debtor Subsidiaries to REA Services.

The agreement being sought would also sanction amendments to the trust deed:

- to permit expressly the issue of the new sterling notes for a consideration other than cash (that is, the acquisition by REA Finance of existing sterling notes) and to clarify that it is the cash proceeds of an issue of notes which must be applied in the manner stipulated by the trust deed (namely in meeting the expenses of issue of sterling notes (whether or not issued for cash and whether or not issued at the same time) and in making loans to REAH);

- to effect changes to the form of the loan note certificate and the terms and conditions to be attached thereto, as set out in schedule 1 to the trust deed, necessary (A) to reflect the above clarification regarding use of proceeds, the different interest rate and redemption terms applicable to the existing and new sterling notes and the different denomination of the new sterling notes and (B) to provide for class meetings of existing sterling notes and new sterling notes when appropriate*;*

- to effect further changes to the terms and conditions to apply in future to both the existing sterling notes and the new sterling notes:

    (i) to build in to the covenant limiting the disposal of fixed assets by Indonesian debtor subsidiaries (set out in condition 12(A)(xv)) a further proviso to the effect that neither (A) the proposed settlement arrangements in respect of certain land rights held by SYB under which SYB would transfer certain land to PT Ade Putra Tanrajeng of Indonesia and/or associates (the "APT group") and relinquish its rights in respect of further land, in consideration of which the APT group would procure the transfer to SYB of the whole of the issued share capital of PT Praesetia Utama nor (B) any transfer by SYB of up to (and including) five per cent of PT Praesetia Utama to a local partner (as currently required by Indonesian regulatory practice) will constitute a "disposal" for the purposes of the covenant (the proposed settlement arrangements having been previously approved by holders of existing sterling notes as explained below);

(ii) to include a covenant by REA Finance that, once there are new sterling notes in issue, it will not issue any further 9.5 per cent guaranteed sterling notes 2015/17;

(iii) to include a covenant by REA Services that it will not agree repayment terms as regards the loans due to it by Indonesian debtor subsidiaries (pursuant to the revised repayment terms proposed as described under "Prescribed loans by REA Services to qualifying subsidiaries" below) which would result in the aggregate amount being due to it by Indonesian debtor subsidiaries on any repayment date, when aggregated by the cash amounts then held by REA Services and/or REA Finance in a bank account charged in favour of Capita Trust Company Limited as trustee for the holders of the sterling notes, being less than the aggregate amount then due to holders of sterling notes by REA Finance on the next following redemption date;

(iv) to include an express provision that monies repaid to REA Finance may be applied in purchasing or redeeming sterling notes; and

(v) (A) to correct an incorrect cross reference, (B) to update certain provisions and (C) to exclude other provisions that are no longer, or not considered to be, relevant or necessary.

With regard to sub-paragraph (i) above, an extraordinary resolution passed by holders of existing sterling noteholders in 2012 authorised the trustee to sanction the proposed settlement arrangements. However, the sanction did not cover the transfer by SYB of 5 per cent of PT Praesetia Utama to a local partner as will now be necessary to comply with current Indonesian regulatory practice. It is therefore proposed to incorporate a specific change to the terms and conditions applicable to the sterling notes to cover such transfer and to ensure that both the settlement arrangements and the transfer can be implemented without further approval by holders of sterling notes.

With regard to sub-paragraph (v) above, it is proposed, amongst other things, to update the provisions included in schedule 3 to the trust deed with regard to proxies, including the addition of provisions permitting the appointments of proxies to be made in electronic, as well as paper, form and to exclude definitions of "24 hours" and "48 hours" in the context of the appointment of proxies. It is also proposed to amend condition 12(A)(xvii) attaching to the sterling notes, to include a reference to Oentoeng Suria & Partners (as well as to Ali Budiardjo, Nugroho, Reksodiputro (Counsellors at Law, Jakarta) (or such other firm of Indonesian lawyers as the Trustee may approve)) as the potential issuers of the opinion required in the event of future loans being made by REA Services to a qualifying subsidiary that is not already an Indonesian Debtor Subsidiary.

Part IV of this document sets out the terms and conditions that will apply to the existing sterling notes if the proposed amendments to the trust deed are made, being also the terms and conditions that will apply to the new sterling notes.

Prescribed loans by REA Services to qualifying subsidiaries

Under the conditions attaching to the existing sterling notes, the terms of loans by REA Services to qualifying subsidiaries (the rights of REA Services in respect of such loans being charged as security for the sterling notes) are prescribed and REAH and REA Services have each covenanted that they will procure that no changes are made to such prescribed terms.

Such prescribed terms currently provide, *inter alia*, that, where the loan to the qualifying subsidiary is made in dollars, the loan is repayable on 31 December 2017 (or earlier in the event of default) and, where the loan is made in sterling, the loan is repayable:

(i) as to one third of the then outstanding principal amount of the loan, on 15 December 2015;

(ii) as to one half of the then outstanding principal amount of the loan, on 15 December 2016; and

(iii) as to the balance of the then outstanding principal amount of the loan, on 15 December 2017

(or earlier in the event of default).

To reflect the proposed exchange of some, if not all, of the existing sterling notes for new sterling notes and the revised terms proposed to be applicable to the new sterling notes as regards redemption and to reflect the fact that it is proposed that the terms and conditions attaching to the existing sterling notes will apply equally to the new sterling notes, it is proposed that, as regards the existing loans made by REA Services to qualifying subsidiaries, the repayment terms be amended (for both dollar loans and sterling loans) to provide that those loans will be repayable:

(i) as to one third of the then outstanding principal amount of the loan, or such lesser amount as REA Services may agree with the borrower by 1 December 2015, on 15 December 2015;

(ii) as to one half of the then outstanding principal amount of the loan, or such lesser amount as REA Services may agree with the borrower by 1 December 2015, on 15 December 2016;

(iii) as to the balance of the then outstanding principal amount of the loan, or such lesser amount as REA Services may agree with the borrower by 1 December 2015, on 15 December 2017; and

(iv) as to the balance (if any) of the outstanding principal amount of the loan, on 15 August 2020

(or earlier in the event of default).

It is also proposed that the existing repayment terms for new loans by REA Services to qualifying subsidiaries, set out in schedule 5 to the trust deed, be deleted and instead REA Services and the relevant qualifying subsidiary be given discretion to agree such repayment terms as they, at the time, think appropriate.

In agreeing revised repayment amounts and/or repayment terms, REA Services will at all times comply with the new covenant proposed to be included in the terms and conditions attaching to the sterling notes as referred to at paragraph (iii) under "Creation and issue of the new sterling notes" above, namely that it will not agree repayment amounts as regards the loans due to it by Indonesian debtor subsidiaries which would result in the aggregate amount being due to it by Indonesian debtor subsidiaries on any repayment date, when aggregated with the cash amounts then held by REA Services and/or REA Finance in a bank account charged in favour of Capita Trust Company Limited as trustee for the holders of the sterling notes, being less than the aggregate amount then due to holders of sterling notes by REA Finance on the next following redemption date.

To reflect the interest rate proposed to be attached to the new sterling notes, it is also proposed that, with effect from 1 January 2018, the interest rate applicable to all loans (existing and new) made by REA Services to qualifying subsidiaries in sterling be reduced from 10.25 per cent per annum to 9.5 per cent. per annum. (The interest rate applicable to those loans made in dollars would remain unchanged at 2.75 per cent. per annum above SIBOR.)

Conditions

The offer is conditional upon:

(i) acceptances being received by not later than 11.00 a.m. (BST) on 1 September 2015 (or such later time and/or date as REA Finance may decide, being not later than 11.00 a.m. (GMT) on 18 December 2015) in respect of not less than £10,000,000 nominal of existing sterling notes or such lesser amount as REA Finance may decide, provided that this condition will not be satisfied unless REA Finance will have in issue, at the time that the offer becomes unconditional, at least £10,000,000 nominal of new sterling notes (whether issued pursuant to the offer or the offer in conjunction with the placing referred to under "Proposed cash placing of further new sterling notes" above);

(ii) the execution of all documentation necessary to create and constitute the new sterling notes and to effect the amendments to the trust deed and existing sterling loans to qualifying subsidiaries as detailed above under "Creation and issue of the new sterling notes" and "Prescribed loans by REA Services to qualifying subsidiaries" above; and

(iii) the admission of the new sterling notes allotted pursuant to the offer to the Official List and to trading on the Regulated Market of the London Stock Exchange and such admissions becoming effective on or before 8.00 a.m. (BST) on 3 September 2015 (or such later time and/or date as REA Finance may decide, being not later than 5.00 p.m. (GMT) on 21 December 2015).

The placing is conditional upon:

(i) there being in issue, at the time that the placing becomes unconditional, at least £10 million nominal of new sterling notes (including those issued pursuant to the offer);

(ii) the execution of all documentation necessary to create and constitute the new sterling notes and to effect the amendments to the trust deed and existing sterling loans to qualifying subsidiaries as detailed above under "Creation and issue of the new sterling notes" and "Prescribed loans by REA Services to qualifying subsidiaries" above; and

(iii) the admission of the new sterling notes allotted pursuant to the placing to the Official List and to trading on the Regulated Market of the London Stock Exchange and such admissions becoming effective on or before 8.00 a.m. (BST) on 3 September 2015 (or such later time and/or date as REA Finance may decide, being not later than 5.00 p.m. (GMT) on 21 December 2015).

As noted above, the creation and issue of the new sterling notes pursuant to a trust deed supplemental to the trust deed, and the consequential and other changes to the trust deed as described above under "Creation and issue of the new sterling notes", are conditional upon, *inter alia*, the sanction of the holders of existing sterling notes, given by way of the extraordinary resolution set out in the notice of meeting of the holders of the sterling notes set out on pages 48 to 52 of this document. The proposed changes to the prescribed terms of the loans by REA Services to qualifying subsidiaries, as described above under "Prescribed loans by REA Services to qualifying subsidiaries" are also conditional upon the passing of such extraordinary resolution.

Accordingly, in addition to the conditions referred to above, the offer and the placing are also conditional upon the passing of the extraordinary resolution set out in the notice of meeting of the holders of the sterling notes set out on pages 48 to 52 of this document.

Meeting of the holders of existing sterling notes

As noted above, a meeting of the holders of the sterling notes has been convened for 12.00 noon (CEST) on 27 August 2015 to be held at the offices of Alter Domus B.V on 6th Floor, De Boelelaan 7, 1083 HJ Amsterdam, The Netherlands. Notice of such meeting is set out on pages 48 to 52 of this document.

The resolution to be proposed at such meeting will be proposed as an extraordinary resolution. Such resolution, if passed, will sanction the amendments to the trust deed and security documentation securing the obligations of REA Finance and REA Services in relation to the existing sterling notes as described above under "Creation and issue of the new sterling notes" and "Prescribed loans by REA Services to qualifying subsidiaries" and will authorise and request the trustee to enter into the necessary supplemental trust deeds and other documents necessary to effect the amendments. Such resolution, if passed, will also sanction the amendments to the existing loan agreements between REA Services and qualifying subsidiaries as described above "Prescribed loans by REA Services to qualifying subsidiaries". The resolution will also approve any consequential variations to the rights of the holders of the existing sterling notes resulting from the extraordinary resolution or its implementation and, at the request of the trustee, will also include an acknowledgement by holders of the existing sterling notes that that the trustee has not made any investigation or enquiry into the power and capacity of any person to enter into all or any of the documents to be executed in connection with the proposals described in this document and will (a) release and exonerate the trustee from any liability in respect of anything done or omitted to be done by the trustee in good faith in connection with the extraordinary resolution or its implementation and (b) result in the waiver of any claims that the holders of the sterling notes might otherwise have had against the trustee as a result of anything done or omitted to be done by the trustee in good faith in connection with the extraordinary resolution or its implementation.

You will find enclosed with this document a form of proxy for use in connection with the meeting convened for 27 August 2015. Whether or not you propose to attend such meeting, you are urged to complete such form of proxy in accordance with the instructions printed thereon and to return the same by post to Capita Asset Services at PXS, 34 Beckenham Road, Beckenham, Kent BR3 4TU so as to arrive as soon as possible but in any event by no later than 11.00 a.m. (BST) on 25 August 2015. The appointment of a proxy will not prevent you from attending the meeting and voting in person if you should so wish.

Overseas holders of existing sterling notes

The making of the offer to persons who are citizens, residents or nationals of countries other than the United Kingdom may be affected by the laws of those other countries. Holders of existing sterling notes not resident in the United Kingdom should inform themselves about and observe all applicable legal requirements. Holders of existing sterling notes wishing to accept the offer must satisfy themselves as to the full observance of the laws of any relevant jurisdiction.

This document does not constitute an offer to sell or an invitation to subscribe for, or the solicitation of an offer to sell or subscribe for, the new sterling notes in any jurisdiction where such an offer or solicitation is unlawful.

The new sterling notes have not been, and will not be, registered under the US Securities Act or any relevant securities laws of any state, district or other jurisdiction of Australia, Canada, Japan or the United States or any other restricted jurisdiction and no regulatory clearances in respect of the new sterling notes have been, or will be, applied for in any jurisdiction other than the United Kingdom. Accordingly, save to the extent that an exemption under the relevant securities laws is applicable, the offer is not being made, and the new sterling notes may not be acquired by or subsequently offered, sold, resold,

delivered or distributed, directly or indirectly, in or into Australia, Canada, Japan, the United States or any other restricted jurisdiction or to, or for the account or benefit of, any person resident in Australia, Canada, Japan, the United States or any other restricted jurisdiction.

If you are a citizen, resident or national of a country other than the United Kingdom and you are in any doubt about your position, you should consult an appropriate adviser.

Procedure for acceptance of the offer

This section should be read in conjunction with Parts II and III of this document and with the notes on the form of acceptance which are deemed to form part of the terms of the offer.

Holders of existing sterling notes in **certificated form** (that is, not in CREST) may only accept the offer in respect of such notes by completing, signing and returning a form of acceptance in accordance with the procedure set out in paragraph (a) below.

Holders of existing sterling notes in **uncertificated form** (that is, in CREST) may only accept the offer in respect of such notes by TTE instruction in accordance with the procedure set out in paragraph (b) below. If you hold existing sterling notes in uncertificated form under different member account IDs, you should send, or procure to be sent, a separate TTE instruction for each member account ID.

You should note that if you hold existing sterling notes in both certificated and uncertificated form, you should complete a form of acceptance for the notes held in certificated form in accordance with paragraph (a) below and the notes held in uncertificated form should be dealt with in accordance with paragraph (b) below.

If your existing sterling notes are in the course of being converted from uncertificated to certificated form, or from certificated to uncertificated form, you are urged to ensure that the conversion procedures are implemented in sufficient time to enable acceptance of the offer to be effected in accordance with the appropriate procedures set out below.

If you have any questions as regards the procedure for acceptance of the offer, please contact Capita Asset Services on + 44 (0)371 664 0321. Calls within the UK are charged at the standard geographic rate and will vary by provider. Calls from outside the UK will be charged at the applicable international rate. Different charges may apply to calls from mobile telephones. Capita Asset Services are open between 9.00 a.m. and 5.30 p.m. (BST), Monday to Friday excluding public holidays in England and Wales. Calls may be recorded and randomly monitored for security and training purposes. The helpline will not provide advice on the merits of the offer nor give any financial, legal or tax advice.

(a) Existing sterling notes in certificated form (that is, not in CREST)

You will find enclosed with this document a personalised form of acceptance for use in connection with the offer. To accept the offer, you should complete boxes 2 and 3 on page 3 of the form of acceptance and, if applicable, boxes 6 and/or 7. You must also sign box 5. In the case of joint registered holders, all joint registered holders must sign.

If you hold less than £100,000 nominal of existing sterling notes and wish to accept the offer in respect of the whole of your holding, and accordingly wish to avail yourself of the top-up option, you must also complete Box 4.

The completed form of acceptance should be returned to Capita Asset Services Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU as soon as possible and in any event so as to arrive by no later than 11.00 a.m. (BST) on 1 September 2015.

A first class reply-paid envelope is enclosed for your convenience for documents lodged by post from within the United Kingdom.

The form of acceptance should be accompanied by the certificate(s) for the existing sterling notes in respect of which you are accepting the offer and, if you have completed Box 4, a sterling cheque or banker's draft payable to "Capita Registrars Limited – REAF A/C" and crossed "A/C Payee only" in the amount specified in Box 4. If you have lost the certificate in respect of any of the existing sterling notes in respect of which you are accepting the offer, the form of acceptance should be accompanied by a letter from you stating this and you should also apply to Capita Asset Services for a duplicate certificate. You may be required to give an appropriate indemnity before REA Finance will provide you with a duplicate certificate. On receipt of the duplicate certificate, it should be forwarded to Capita Asset Services Corporate Actions at the address given above as soon as possible.

No acknowledgement of receipt of documents will be given.

All documents sent by holders of existing sterling notes or their appointed agents will be sent at the risk of the relevant holder.

(b) Existing sterling notes in uncertificated form (that is, in CREST)

To accept the offer, you should send (or if you are a CREST sponsored member, procure that your CREST sponsor sends) a TTE instruction to Euroclear which must be properly authenticated in accordance with Euroclear's specifications and which must contain, in addition to the other information that is required for a TTE instruction to settle in CREST, the following details:

- the nominal amount of the existing sterling notes in respect of which you wish to accept the offer and which are to be transferred to an escrow balance;
- your member account ID;
- your participant ID;
- the participant ID of the Escrow Agent, namely Capita Asset Services in its capacity as a CREST receiving agent - this is RA10;
- the member account ID of the Escrow Agent for the offer in its basic form - this is 28580REA;
- the intended settlement date - this should be as soon as possible and in any event no later than 11.00 a.m. (BST) on 1 September 2015;
- the corporate action number for the offer - this is allocated by Euroclear and can be found by viewing the relevant existing sterling notes corporate action details in CREST;
- the ISIN number for the existing sterling notes - this is GB00B1FWDD12;
- input with standard delivery priority of 80; and
- contact name and telephone number inserted in the shared note field.

If you hold less than £100,000 nominal of existing sterling notes and wish to accept the offer in respect of the whole of your holding of existing sterling notes, and accordingly wish to avail yourself of the top-up option, you should also send (or, if you are a CREST sponsored member, procure that your CREST sponsor sends) an USE instruction to Euroclear which, on its settlement, will create a CREST payment, in accordance with the CREST payment arrangements in favour of the payment bank of Capita Asset Services, as

receiving agent, in respect of the amount specified in the USE Instruction which must be the amount payable by you on exercise of the top-up option. The USE instruction must be properly authenticated in accordance with Euroclear's specifications and must contain, in addition to the other information that is required for settlement in CREST, the following details:

- the nominal amount of the new sterling notes in respect of which you are making a cash payment – this is amount by which the nominal amount of your holding of existing sterling notes (in respect of which you have accepted the offer) falls short of £100,000;
- the amount payable by you by means of a CREST payment on settlement of the USE Instruction – this is the amount payable by you on exercise of the top-up option;
- your participant ID;
- the participant ID of Capita Asset Services in its capacity as receiving agent - this is RA10;
- the member account ID of Capita Asset Services in its capacity as receiving agent - this is 28580TOP;
- the intended settlement date - this should be as soon as possible and in any event no later than 11.00 a.m. (BST) on 1 September 2015;
- the corporate action number for the top-up option - this is allocated by Euroclear and can be found by viewing the relevant existing sterling notes corporate action details in CREST;
- the ISIN number for the new sterling notes - this is GB00BYY8MM32;
- input with standard delivery priority of 80; and
- contact name and telephone number together with the TTE reference number inserted in the shared note field.

If you are a CREST sponsored member, you should refer to your CREST sponsor. Only your CREST sponsor will be able to send the TTE instruction / USE instruction as referred to above to Euroclear in relation to your acceptance of the offer and, as applicable, exercise of the top-up option.

The input and settlement of a TTE instruction in accordance with this paragraph (b) will constitute an acceptance of the offer in respect of the number of existing sterling notes so transferred to escrow. The input and settlement of a USE instruction in accordance with this paragraph (b) will constitute an exercise of the top-up option and accordingly an application to make up that element of the subscription price of £100,000 nominal of new sterling notes that would not be met by acceptance of the offer by means of a cash payment.

You should note that Euroclear does not make available special procedures in CREST for any particular corporate action. Normal system timings and limitations will therefore apply in connection with a TTE instruction and a USE instruction and their respective settlements. You should therefore ensure that all necessary action is taken by you (or by your CREST sponsor) to enable a TTE instruction relating to your existing sterling notes and, if applicable, a USE instruction in respect of your exercise of the top-up option, to settle prior to 11.00 a.m. (BST) on 1 September 2015. In particular, you should note that settlement cannot take place on weekends or bank holidays (or other times at which the

CREST system is non-operational). You should therefore ensure that you time the input of any TTE instructions and USE instructions accordingly.

You are recommended to refer to the CREST Manual for further information on the CREST Procedures outlined above.

A form of acceptance which is received in respect of existing sterling notes held in uncertificated form will not constitute a valid acceptance and will be disregarded.

Settlement and dealings

It is expected that the issue of the new sterling notes to holders of existing sterling notes who accept the offer and from whom acceptances are received, complete in all respects, by 11.00 a.m. (BST) on 1 September 2015, will become unconditional, and that dealings in the new sterling notes so issued, for normal settlement, will commence on 3 September 2015. REAH and REA Finance will announce the results of the offer by notification to the Regulatory News Service of the London Stock Exchange; it is expected that such announcement will be made on 2 September 2015.

The new sterling notes will be transferable by written instrument in any usual or common form.

The new sterling notes will be issued in registered form and may be held in certificated or uncertificated form. New sterling notes may be delivered in uncertificated form to member CREST accounts where the holders of existing sterling notes to whom the new sterling notes have been allotted are CREST participants. However, notwithstanding any other provision set out in this document, REA Finance reserves the right in its absolute discretion to issue new sterling notes to any such holder of existing sterling notes in certificated form. In normal circumstances, this right is only likely to be exercised in the event of any interruption, failure or breakdown of CREST (or any part of CREST) or any part of the facilities under/or systems operated by Capita Asset Services in connection with CREST.

It is expected that CREST accounts will be credited in respect of new sterling notes on 3 September 2015 and that certificates in respect of new sterling notes (and, to the extent applicable, balance certificates in respect of existing sterling notes) will be despatched by first class post on 17 September 2015. Pending despatch of certificates in respect of the new sterling notes to be held in certificated form, transfers will be certified against the register of holders of the new sterling notes. No temporary documents of title will be issued and rights to the new sterling notes issued pursuant to the offer will not be renounceable.

Holders of existing sterling notes who are CREST sponsored members should note that they will not be sent any written communication by REA Finance confirming the issue of new sterling notes pursuant to the offer.

It is further expected that the cash element of the consideration due under the offer will be credited to CREST accounts on 17 September 2015 or paid by cheque in sterling drawn on an account of a branch of a United Kingdom clearing bank despatched on 17 September 2015, provided that the acceptances to which such entitlements relate are then complete in all respects. Cheques will be sent by post, crossed "account payee only" and drawn in favour of the relevant holder of existing sterling notes (or in the case of joint holders, the first named thereof).

Certificates in respect of new sterling notes and cheques in respect of the cash element of the consideration payable pursuant to the offer will be sent to the persons entitled thereto at the risk of such persons.

Interim results

The company expects to announce the interim results of the group in respect of the six months ended 30 June 2015 on 26 August 2015.

Recommendation

The board of directors of REAH is of the opinion that the proposals detailed above are in the best interests of REAH, its shareholders and the holders of the group's debt securities (including the existing sterling notes) as a whole.

The board of directors of REAH recommends that holders of existing sterling notes vote in favour of the resolution set out in the notice of meeting of the holders of existing sterling notes convened for 27 August 2015. The sole director of REA Finance endorses such recommendation.

However, the directors of REAH do not consider it appropriate to make a recommendation to holders of existing sterling notes as to whether or not they should accept the offer. A decision as to whether or not to accept the offer will depend on the personal circumstances of each holder of existing sterling notes. As stated on the cover of this document, holders of existing sterling notes who are in any doubt as to whether or not they should accept the offer are recommended to consult their appropriate independent financial adviser duly authorised, if the holder is resident in the United Kingdom, under the Financial Services and Markets Act 2000 or, if the holder is not so resident, under the relevant applicable local law.

Informal indications as regards intentions

The directors of REAH have received informal and non-binding indications that holders of in excess of £25 million nominal of the existing sterling notes (representing in excess of 70 per cent of the outstanding existing sterling notes) are likely to vote in favour of the extraordinary resolution set out in the notice of meeting of the holders of the sterling notes set out on pages 48 to 52 of this document and to accept the offer in respect of their respective holdings of existing sterling notes.

Documents on display

A copy of this document and of the following documents will be available for inspection during normal business hours at the offices of Ashurst LLP, Broadwalk House, 5 Appold Street, London EC2A 2HA until the conclusion of the meeting of the holders of sterling notes convened for 27 August 2015 and will also be available for inspection at the place of the meeting (at the offices of Alter Domus B.V on 6th Floor, De Boelelaan 7, 1083 HJ Amsterdam, The Netherlands) for at least 15 minutes prior to and during the meeting:

(a) the trust deed, together with the (i) Dutch law deed of pledge, (ii) English law charge over receivables, (iii) English law charge over accounts and (iv) Indonesian law fiduciary assignment of receivables creating the current security in relation to the existing sterling notes;

(b) a draft of the supplemental trust deed effecting the proposed amendment to clause 4 of the trust deed to permit the creation and issue of the new sterling notes as a separate series to the existing sterling notes pursuant to a deed supplemental to the trust deed;

(c) a draft of the further supplemental trust deed constituting the new sterling notes as a separate series to the existing sterling notes and effecting the proposed consequential and other amendments to and re-statement of the trust deed (including, as the schedule thereto, the form of the proposed amended and re-stated trust deed);

(d) drafts of (i) a letter of confirmation in relation to the Dutch law pledge created by REA Finance, (ii) deeds of amendment in relation to the two English law charges created by REA Services and (iii) a new Indonesian law fiduciary assignment of receivables proposed to be made between REA Services and the Capita Trust Company Limited, for the purposes of ; and

(e) the prospectus published by REA Finance in relation to the new sterling notes, dated 3 August 2015.

Capita Trust Company Limited

Capita Trust Company Limited, as trustee for the holders of the existing sterling notes, has not been involved in the formulation of, nor approved, the offer to those holders or the other proposals contained in this document. In accordance with normal practice, the trustee expresses no opinion as to the purpose or the merits (or otherwise) of the offer or the other proposals and nothing in this document should be construed as a recommendation from the trustee to holders of the existing sterling notes to accept or reject the offer or to vote in favour of or against the extraordinary resolution set out in this document. The trustee has not verified the information contained herein, nor has it assumed any responsibility for doing so. The trustee is not responsible for the accuracy, completeness, validity or correctness of the statements made, documents referred to or opinions expressed in this document, nor for any omissions therefrom.

EACH PERSON RECEIVING THIS MEMORANDUM ACKNOWLEDGES THAT, IN CONNECTION WITH ITS DECISION ON WHETHER, OR HOW, TO VOTE IN RELATION TO THE EXTRAORDINARY RESOLUTION SET OUT IN THIS DOCUMENT OR WHETHER TO ACCEPT THE OFFER, IT HAS NOT RELIED ON THE TRUSTEE. EACH PERSON RECEIVING THIS MEMORANDUM MUST MAKE ITS OWN ANALYSIS AND INVESTIGATION REGARDING THE PROPOSALS AND MAKE ITS OWN DECISION, WITH PARTICULAR REFERENCE TO ITS OWN INVESTMENT OBJECTIVES AND EXPERIENCE AND ANY OTHER FACTORS WHICH MAY BE RELEVANT TO IT IN CONNECTION WITH SUCH DECISION.

NOTEHOLDERS SHOULD TAKE THEIR OWN ADVICE ON THE MERITS AND/OR THE CONSEQUENCES OF ACCEPTING OR REJECTING THE OFFER AND OF VOTING IN FAVOUR OF OR AGAINST THE EXTRAORDINARY RESOLUTION, INCLUDING ANY TAX CONSEQUENCES.

Capita Trust Company Limited has, however, authorised it to be stated that, on the basis of the information contained in this document and the terms of the extraordinary resolution set out in this document, it has given consent to the issue of this document and has no objection to the contents thereof being presented to noteholders for their consideration.

Further information

Your attention is drawn to the further information contained in Parts II, III, IV and V of this document and in the accompanying form of acceptance and prospectus.

In particular, Part IV of this document sets out in full the terms and conditions attaching to the new sterling notes and the prospectus includes (expressly or by reference) further information relating to REA Finance, REAH and the group.

Yours faithfully

Richard Robinow
Chairman

PART II – FURTHER TERMS OF THE OFFER

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1. **Acceptance period**

1.1 The offer is open for acceptance until 11.00 a.m. (BST) on 1 September 2015.

1.2 REA Finance reserves the right to extend the offer beyond such time and/or date, provided that the offer will not be extended beyond 11.00 a.m. (GMT) on 18 December 2015. Holders of existing sterling notes will be notified of any extension(s) to the offer in any such manner as REA Finance may deem appropriate. The notification will state the next expiry time and date or may instead state that the offer will remain open until further notice.

1.3 All references in this document and in the form of acceptance to 1 September 2015 shall (except where the context otherwise requires) be deemed, if the expiry date of the offer is extended, to refer to the expiry date of the offer as so extended.

2. **Acceptances to be irrevocable**

Acceptances of the offer (including of the top-up option) are irrevocable.

3. **Representations, warranties, confirmations and acknowledgements**

Each holder of existing sterling notes by whom, or on whose behalf, the offer is accepted, by his acceptance of the offer:

(a) represents and warrants that, if the laws of any territory outside the United Kingdom are relevant to his acceptance of the offer, he has complied with all such laws, obtained all governmental and other consents which may be required, complied with all requisite formalities and paid any issue, transfer or other taxes due under such laws and that he has not taken any action or omitted to take any action which will or may result in REAH, REA Finance or Capita Asset Services or any of their respective officers, agents or employees acting in breach of the regulatory or legal requirements of any territory outside the United Kingdom in connection with the offer or REA Finance's acceptance of his exercise of the top-up option (if applicable);

(b) further represents and warrants that the existing sterling notes in respect of which the offer is accepted or deemed to be accepted are sold free from all liens, charges, equitable rights and encumbrances and agrees that such sterling notes are sold together with all rights now or hereafter attaching thereto, including the right to receive and retain all interest payable in respect of the interest period commencing 1 July 2015;

(c) confirms that, in accepting the offer, he is not relying on any information or representation in relation to REAH, REA Finance or the group other than such as are contained in this document or in the accompanying prospectus (and any supplementary prospectus issued hereafter, should such be the case) and acknowledges that no person is authorised in connection with the offer to give any information or make any representation other than as contained in this document or in the accompanying prospectus (and any such supplementary prospectus);

(d) acknowledges that REA Finance reserves the right to treat any acceptance of the offer (including any exercise of the top-up option) not complying strictly with the terms and conditions of the offer as nevertheless valid; and

(e) further confirms that in relation to all matters arising out of the offer, he submits to the jurisdiction of the courts of England.

4. **General**

4.1 The terms contained in or deemed to be incorporated in the form of acceptance constitute part of the terms of the offer. The provisions of this Part II shall be deemed to be incorporated and form part of the form of acceptance and all electronic acceptances.

4.2 Any omission to despatch this document, the form of acceptance or the prospectus, or any other notice required to be given under the terms of the offer to, or any failure to receive the same by, any person to whom the offer is made or should be made shall not invalidate the offer in any way. The offer extends to any persons to whom this document is addressed but to whom the same or the prospectus or the form of acceptance are not despatched and such persons may obtain copies of those documents from the company secretary at REAH's registered office at First Floor, 32-36 Great Portland Street, London W1W 8QX.

4.3 Notwithstanding any other provision of this document or the form of acceptance, REA Finance reserves the right to treat as valid in whole or in part any acceptance of the offer received by Capita Asset Services or otherwise on behalf of REA Finance which is not entirely in order or in correct form or which is not accompanied by (as applicable) the relevant certificate(s) and/or other relevant document(s) and/or payment (in the case of an exercise of the top-up option) or is received at any place or in any form or manner determined by REA Finance otherwise than as set out in this document or in the form of acceptance. However, no settlement of the consideration under the offer will be made until after the acceptance is entirely in order and, in the case of existing sterling notes held in certificated form, the relevant certificate(s) or indemnities satisfactory to REA Finance have been received by Capita Asset Services.

4.4 By your acceptance of the offer, you irrevocably authorise REAH, REA Finance and Capita Asset Services, as receiving agent, to do all things necessary to effect registration into your name(s) (or those of any of the persons specified in paragraph 2.2 above) of the new sterling notes issued to you as consideration under the offer (and your exercise of the top-up option, if applicable).

4.5 If the offer does not become unconditional in all respects:

(a) in respect of existing sterling notes held in certificated form:

(i) certificate(s) will be returned by post (or such other method as REA Finance may determine) within 14 days of the offer lapsing, to the person or agent whose name and address is set out in Box 1 or, if applicable, in Box 6 and/or Box 7 of the form of acceptance or, if none is set out, to the first named holder at his or her registered address; and

(ii) any monies paid by you on exercise of the top-up option will be returned (without interest) by sterling cheque crossed "Account Payee" drawn by Capita Asset Services as receiving agent, on behalf of REA Finance, in favour of the person or agent whose name and address is set out in Box 1 or, if applicable, in Box 6 and/or Box 7 of the form of acceptance or, if none is set out, to the first named holder by post (or such other method as REA Finance may determine) within 14 days of the offer lapsing at his or her registered address at the risk of the person entitled thereto ; and

(b) in respect of existing sterling notes held in uncertificated form:

(i) the Escrow Agent will immediately upon the lapsing of the offer (or within such longer period, not exceeding 14 days after the offer lapsing, as REA Finance may determine), give TTE instructions to Euroclear to transfer all relevant existing sterling notes held in escrow balances and in relation to which it is the Escrow Agent for the purposes of the offer, to the original available balances of the original holders of the relevant existing sterling notes; and

(ii) any monies paid by you on exercise of the top-up option by way of a CREST payment will be returned (without interest) by Capita Asset Services as receiving agent as soon as practicable thereafter.

5. **Forms of acceptance**

Each holder of existing sterling notes by whom, or on whose behalf, the form of acceptance is executed, irrevocably undertakes, warrants and agrees to and with REA Finance (so as to bind the holder, his personal representatives, heirs, successors and assigns) that:

(a) the execution of the form of acceptance constitutes an acceptance of the offer in respect of the nominal amount of existing sterling notes inserted or deemed to be inserted in box 3 of the form of acceptance on and subject to the terms and conditions set out or referred to in this document and the form of acceptance and that each such acceptance shall be irrevocable (unless and until the offer lapses); and

(b) the execution of the form of acceptance also constitutes a transfer to REA Finance of the nominal amount of existing sterling notes inserted or deemed to be inserted in box 3 of the form of acceptance, conditional only as provided under "Conditions" in Part I of this document.

6. **Electronic acceptance**

Each holder of existing sterling notes by whom, or on whose behalf, the electronic acceptance is made, irrevocably undertakes, warrants and agrees to and with REA Finance (so as to bind the holder, his personal representatives, heirs, successors and assigns) that:

(a) the electronic acceptance constitutes an acceptance of the offer in respect of the nominal amount of existing sterling notes the subject of the electronic acceptance on and subject to the terms and conditions set out or referred to in this document and that each such acceptance shall be irrevocable (unless and until the offer lapses);

(b) the electronic acceptance also constitutes a transfer to the Escrow Agent of the nominal amount of existing sterling notes the subject of the electronic acceptance, conditional only as provided under "Conditions" in Part I of this document.

7. **Governing law**

The offer and all acceptances thereof and elections made pursuant thereto (and any dispute, controversy, proceedings or claim of whatsoever nature arising out of or in any way relating to the offer or the formation of the contract effected by acceptance of the offer and/or any election made thereunder) shall be governed by and construed in accordance with English law.

PART III – FURTHER TERMS APPLICABLE TO THE TOP-UP OPTION

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1. By completing and delivering a form of acceptance, you (and, if signing on behalf of another person or corporation, that person or corporation):

   (a) elect to top-up the amount by which the nominal amount of your holding of existing sterling notes falls short of £100,000 (the "shortfall") by means of a cash payment to REA Finance in an amount equal to £1,000 per £1,000 of the shortfall; and

   (b) undertake to pay the amount due by you on exercise of the top-up option and represent and warrant that your remittance will be honoured on first presentation, failing which you will not be entitled to receive a certificate, nor to enjoy or receive any rights or distributions in respect of, the new sterling notes otherwise to be issued to you, unless and until you make the due payment in cleared funds;

2. REA Finance reserves the right to deem invalid any exercise of the top-up option in relation to which:

   (a) the relative form of acceptance is not properly completed in all respects in accordance with the instructions thereon or otherwise provided in this document; or

   (b) the cheque or banker's draft for the due sum is not cleared on first presentation.

3. If your cheque or banker's draft is not cleared on first presentation REA Finance may require you to pay interest or other resulting costs (or both).

4. Pending the offer becoming unconditional (or, if the offer does not become unconditional, pending the return of the monies paid by you) the monies paid by you pursuant to your exercise of the top-up option will be retained by Capita Asset Services, as receiving agent, in an account designated for the purposes of the top-up option and any interest accrued on the monies shall be retained by, and for the benefit of, REA Finance.

5. It is a term of the top-up option that to ensure compliance with the Money Laundering Regulations 2007 (the **"Money Laundering Regulations"**), Capita Asset Services, as receiving agent, may require to verify the identity of the person by whom or on whose behalf the top-up option is exercised (the **"applicant"**) (which requirements are referred to below as the **"verification of identity requirements"**).

   Capita Asset Services, as receiving agent, having (where time allows) consulted with REAH and having taken into account its comments and requests, determines that the verification of identity requirements apply to any applicant, and the verification of identity requirements have not been satisfied by 11.00 a.m. (BST) on 1 September 2015 (which Capita Asset Services, as receiving agent shall in its absolute discretion determine), REA Finance may, in its absolute discretion, and without prejudice to any other rights it may have, treat the exercise of the top-up option as invalid or may confirm the allotment of the relevant new sterling notes to the applicant but (notwithstanding any other term of the offer) the relevant new sterling notes will not be issued to the applicant unless and until the verification of identity requirements have been satisfied in respect of the exercise

of the top-up option (which Capita Asset Services, as receiving agent, shall in its absolute discretion determine).

If the exercise of the top-up option is not treated as invalid and the verification of identity requirements are not satisfied within such period, being not less than seven days after a request for evidence of identity is despatched to the applicant, REA Finance will be entitled to make arrangements (in its absolute discretion as to manner, timing and terms) to sell the new sterling note paid up in part by the cash top-up payment (and for that purpose REA Finance is authorised to act as agent of the applicant). Any proceeds of sale (net of expenses) of the relevant new sterling note which shall be issued to and registered in the name of the purchaser, will be held by REA Finance on trust for the applicant, subject to the requirements of the Money Laundering Regulations. Capita Asset Services, as receiving agent is entitled, in its absolute discretion, to determine whether the verification of identity requirements apply to any applicant or application and whether such requirements have been satisfied. None of REAH, REA Finance and Capita Asset Services, as receiving agent, will be liable to any person for any loss or damage suffered or incurred (or alleged), directly or indirectly, as a result of the exercise of any such discretion or as a result of any sale of relevant new sterling note.

Submission of a form of acceptance with the appropriate remittance due on exercise of the top-up option will constitute a warranty from the applicant that the Money Laundering Regulations will not be breached by application of such remittance.

If the verification of identity requirements apply, failure to provide the necessary evidence of identity within a reasonable time may result in your application being treated as invalid or in delays in the despatch of certificates or in crediting CREST stock accounts.

PART IV – PROPOSED TERMS AND CONDITIONS ATTACHING TO THE STERLING NOTES

The following is a copy of the terms and conditions that will apply to the sterling notes if the proposed amendments to the trust deed are made.

The £50,000,000 9.5 per cent. guaranteed sterling notes 2015/17 (the **"Series A Notes"**) and £40,000,000 8.75 per cent. guaranteed sterling notes 2020 (the **"Series B Notes"**, the Series A Notes and the Series B Notes being together the **"Notes"**, which expression shall in these terms and conditions (the **"Conditions"**), unless the context otherwise requires, include any further notes issued pursuant to Condition 15 and forming a single series with the Series A Notes or the Series B Notes) of REA Finance B.V. (the **"Issuer"**) are constituted by an amended and restated trust deed dated [**date**] 2015 made between the Issuer, R.E.A. Holdings plc (the **"Guarantor"**), R.E.A. Services Limited (the **"Co-Guarantor"**) and Capita Trust Company Limited (the **"Trustee"**) as trustee for the holders of the Notes (the **"Noteholders"**) (such amended and restated trust deed as further amended and supplemented from time to time being the **"Trust Deed"**). The issue of the Series A Notes was authorised pursuant to resolutions of the board of directors of the Guarantor passed on 8 November 2006 and 23 July 2008 and resolutions of the sole managing director of the Issuer passed on 27 November 2006 and 29 July 2008. The issue of the Series B Notes was authorised pursuant to resolutions of the board of directors of the Guarantor passed on [**date**] 2015, resolutions of the board of directors of the Co-Guarantor passed on [**date**] 2015 and resolutions of the sole managing director of the Issuer passed on [**date**] 2015. The statements in these Conditions include summaries of, and are subject to, the detailed provisions of and definitions in the Trust Deed. Copies of the Trust Deed are available for inspection during normal business hours by the Noteholders at the principal office for the time being of the Trustee, being as at the date of issue of this certificate at [*4th Floor, 40 Dukes Place, London EC3A 7NH*]. The Noteholders are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Trust Deed.

1. **Definitions**

In these Conditions, except to the extent that the context otherwise requires:

"business day" means a day (other than a Saturday or a Sunday) on which banks are generally open for business in the City of London, in Amsterdam and in Jakarta;

"Extraordinary Resolution" means a resolution passed at a meeting of the Noteholders (or, as the case may be, any series (or class) thereof) duly convened and held in accordance with the provisions contained in schedule 3 to the Trust Deed by a majority consisting of not less than three-fourths of the persons voting thereat upon a show of hands or if a poll is duly demanded then by a majority consisting of not less than three-fourths of the votes given on such a poll;

"Indonesian Debtor Subsidiary" means any Qualifying Subsidiary which is indebted to the Co-Guarantor, for so long as such Qualifying Subsidiary is so indebted;

"Interest Payment Date" means 30 June and 31 December in each year;

"Interest Period" means the period commencing on (but excluding) the date of issue of the relevant Notes and ending on (and including) the next following Interest Payment Date and thereafter each successive period commencing on (and including) the day following an Interest Payment Date and ending on (and including) the next following Interest Payment Date;

"Prescribed Loan Agreement" means any loan agreement made between the Co-Guarantor and any Qualifying Subsidiary pursuant to which the Co-Guarantor lends monies to such subsidiary (as amended and/or re-stated from time to time with the sanction of the Noteholders);

"Prescribed Terms" means:

(i) as respects any loan by the Co-Guarantor to SYB, the terms set out in the loan agreement dated 29 November 2010 made between (1) the Co-Guarantor (as lender), (2) SYB (as borrower) and (3) the Guarantor (as amended and/or re-stated from time to time with the sanction of Noteholders);

(ii) as respects any loan by the Co-Guarantor to PT Kutai Mitra Sejahtera, the terms set out in the loan agreement dated 13 March 2013 made between (1) the Co-Guarantor (as lender), (2) PT Kutai Mitra Sejahtera (as borrower) and (3) the Guarantor (as amended and/or re-stated from time to time with the sanction of Noteholders); and

(iii) as respects any loan by the Co-Guarantor to any other Qualifying Subsidiary, the terms set out in the pro forma loan agreement included at schedule 5 to the Trust Deed, subject to any amendment(s) to which the Trustee has agreed in writing (which agreement the Trustee shall not withhold where the Guarantor has certified (by way of providing a certificate signed by two directors of the Guarantor on behalf of the Guarantor) that (i) the amendment(s) is/are necessary as a consequence of any change in a law, regulation or other legal requirement on or after the date of the Trust Deed and (ii) the amendment(s) is/are not materially adverse or detrimental to the security for the Notes);

"Qualifying Subsidiary" means any subsidiary of the Guarantor incorporated in Indonesia and engaged in the cultivation of oil palms and/or the processing of oil palm fruit;

"REA Kaltim" means PT REA Kaltim Plantations, a subsidiary of the Guarantor incorporated in Indonesia and engaged in the cultivation of oil palms and/or the processing of oil palm fruit;

"redemption date" means, in relation to the Series A Notes, 31 December in each of the three years commencing 31 December 2015 and, in relation to the Series B Notes, 31 August 2020;

"relevant spot rate" means, for any day, the spot rate shown by the Financial Times of that day as the closing spot rate on the preceding business day or, if the board of directors of the Guarantor so elects, the spot rate in London quoted at or about 11.00 am on that day (or on the preceding business day) by a London clearing bank, approved by the board of directors of the Guarantor, as being the rate for the purchase by the Co-Guarantor or an Indonesian Debtor Subsidiary (as the case requires) of sterling or dollars (as applicable) for the currency and amount in question;

"subsidiary" has the meaning given thereto in section 1159 of the Companies Act 2006 of the United Kingdom; and

"SYB" means PT Sasana Yudha Bhakti, a subsidiary of REAH incorporated in Indonesia and engaged in the cultivation of oil palms and/or the processing of oil palm fruit.

References to **"dollars"** or to **"$"** are to the lawful currency of the United States of America. References to **"sterling"** or to **"£"** are the lawful currency of the United Kingdom.

2. Form, status and transfer

(A) Form and denomination

The Notes are issued in registered form, in the case of the Series A Notes, in amounts and integral multiples of £1,000 and, in the case of the Series B Notes, in minimum denominations of £100,000 and integral multiples of £1,000 in excess thereof.

The Issuer, the Guarantor, the Co-Guarantor and the Trustee may (to the fullest extent permitted by applicable law) deem and treat the registered holder of any Notes as the absolute owner for all purposes, notwithstanding any notice to the contrary, including any notice of ownership, trust or any interest in it and no person shall be liable for so treating the registered holder.

(B) Status

The Notes are direct and unconditional secured obligations of the Issuer and rank equally and without any preference among themselves.

(C) Transfers

(a) Series A Notes

The Series A Notes are transferable in amounts and integral multiples of £1,000.

(b) Series B Notes

The Series B Notes are transferable in minimum amounts of £100,000 nominal and integral multiples of £1,000 in excess thereof provided that, where the transfer is in respect of part only of a holding of Series B Notes, the transfer will not be valid unless the transferor retains a minimum holding of £100,000 nominal of Series B Notes represented, in the case of Series B Notes held in certificated form, by one certificate. Where a prospective transferor of Series B Notes holds more than one Series B Note in certificated form and is proposing to transfer part only of his holding, he may need first to consolidate his holding into fewer certificates.

(c) General

Subject as provided below, transfers of Notes shall be made by instrument in writing in the usual common form applicable to UK securities or in any other form which the board of managing directors (or, if applicable, the sole managing director) of the Issuer may approve. There shall not be included in any instrument of transfer more than one series (or class) of Notes.

In the case of Notes held in uncertificated form, title to the Notes may be transferred by means of a relevant system (as defined in the Uncertificated Securities Regulations 2001 (the **"Regulations"**)), in which event, the Conditions shall not apply to the Notes to the extent that they are inconsistent with:

(i) the holding of Notes in uncertificated form;

(ii) the transfer of title to the Notes by means of a relevant system;

(iii) any provision of the Regulations,

and the provisions of the Regulations shall apply in respect of the Notes and these Conditions.

3. Use of any cash proceeds

All cash proceeds of issue of the Notes shall be receivable by the Issuer and shall be applied solely in meeting the expenses of the issue of Notes (whether or not issued for cash and whether or not issued at the same time) and in making loans to the Guarantor, such loans to be applied by the Guarantor solely in making loans to the Co-Guarantor provided that any monies lent by the Issuer to the Guarantor shall be paid directly by the Issuer to the Co-Guarantor, on behalf of the Guarantor, into a bank account of the Co-Guarantor charged as referred to in Condition 4 or in accordance with Condition 12(C)(v). The Co-Guarantor shall apply the loans made to it by the Guarantor solely in making loans to Qualifying Subsidiaries provided that the Co-Guarantor and each such subsidiary shall have first entered into a loan agreement in respect of such loan on the Prescribed Terms. Pending the making by the Issuer of any such loans as are referred to above, the Issuer shall retain the cash proceeds of issue of the Notes (net of any expenses of the issue of the same) on deposit with ABN Amro Bank N.V. or such other bank or banks as the Trustee may from time to time approve (in accordance with Condition 12(B)(iv)).

4. Guarantee

The payment of the interest and principal and any other monies payable by the Issuer on or in respect of the Notes is irrevocably and unconditionally guaranteed by the Guarantor and the Co-Guarantor. The full terms of the guarantee are set out in schedule 4 to the Trust Deed.

The obligations of the Guarantor in respect of such guarantee are unsecured and, except as may be provided by applicable legislation or judicial order, will rank equally and without preference with all other unsecured and unsubordinated obligations of the Guarantor. The obligations of the Co-Guarantor in respect of such guarantee are secured by way of first ranking charges in favour of the Trustee (on behalf of Noteholders) over:

(i) two designated bank accounts of the Co-Guarantor; and

(ii) the rights of the Co-Guarantor in respect of all monies owed to it from time to time by any Indonesian Debtor Subsidiary.

Any demand under such guarantee must be in writing, signed by the Trustee and received by the Guarantor or the Co-Guarantor at its address for service of notices in accordance with Condition 19 on or before, in the case of the Series A Notes, 28 February 2018 and, in the case of the Series B Notes, 31 October 2020 or, in either case if earlier, in the event of the Trustee giving valid notice under Condition 10 to the Issuer and the Guarantor and the Co-Guarantor that the Notes are, in accordance with Condition 10, due and payable, on or before the expiry of three months from the date of the said notice from the Trustee.

5. **Security**

In addition to the security referred to at Condition 4 in respect of the Co-Guarantor's obligations in respect of its guarantee of the Notes, payment of interest and principal and all other monies payable by the Issuer on or in respect of the Notes is secured by way of a first right of pledge in favour of the Trustee (on behalf of Noteholders) over the bank account(s) of the Issuer.

6. **Interest**

(A) Series A Notes

The Issuer shall pay interest on the principal amount of the Series A Notes at the rate of 9.5 per cent. per annum payable semi-annually in arrear in equal instalments on each Interest Payment Date to those persons who are registered as holders of Series A Notes at the close of business on the relevant record date (notwithstanding any intermediate transfer or transmission of any Series A Notes). Each Note will cease to bear interest from (and including) the due date for redemption unless payment of principal in respect of the Note is improperly withheld or refused.

(B) Series B Notes

The Issuer shall pay interest on the principal amount of the Series B Notes at the rate of 8.75 per cent. per annum payable semi-annually in arrear in equal instalments on each Interest Payment Date to those persons who are registered as holders of Series B Notes at the close of business on the relevant record date (notwithstanding any intermediate transfer or transmission of any Series B Notes), save that:

(i) in respect of the first Interest Period following the date of issue of each Series B Note issued as consideration for the acquisition by the Issuer of Series A Notes pursuant to the offer made by the Issuer on 3 August 2015 (the **"exchange offer"**) on the date that the exchange offer becomes unconditional, interest shall be calculated from (but excluding) the date of issue to (and including) 31 December 2015;

(ii) in respect of the first Interest Period following the date of issue of each Series B Note issued as consideration for the acquisition by the Issuer of Series A Notes pursuant to the exchange offer after the date that the exchange offer becomes unconditional but on or prior to 31 December 2015, the interest rate shall be calculated as if interest had accrued from (and including) the day following the date that the exchange offer becomes unconditional to (and including) 31 December 2015;

(iii) in respect of the first Interest Period following the date of issue of each Series B Note issued for cash, interest shall be calculated from (but excluding) the date of issue to (and including) the first Interest Payment Date following the date of issue; and

(iv) each Note will cease to bear interest from (and including) the due date for redemption unless, upon due presentation, payment of principal in respect of the Note is improperly withheld or refused.

(C) General

For the above provisions of this Condition 6, the **"record date"** shall mean the thirtieth day before the relevant Interest Payment Date or, if such day is not a business day, then the next following business day.

If it should be necessary to compute an amount of interest in respect of any Notes for a period shorter than a complete Interest Period, such interest shall be calculated on the basis of the actual number of days in the period from (and including) the day following the most recent Interest Payment Date to

(and including) the final day of the relevant period divided by the actual number of days in the period from (and including) the day following the most recent Interest Payment Date to (and including) the next Interest Payment Date.

Interest will be paid in sterling.

7. Redemption, purchases and cancellation

(A) Final Redemption

Unless previously redeemed or purchased and cancelled as provided below, the Issuer shall redeem:

(i) the Series A Notes in sterling at their principal amount by three (as nearly as possible) equal annual instalments commencing 31 December 2015; and

(ii) the Series B Notes in sterling at their principal amount in one instalment on 31 August 2020.

If Series A Notes are purchased and cancelled by the Issuer, the amount of Series A Notes that the Issuer will be obliged to redeem on any given redemption date will be reduced by the nominal amount of Series A Notes purchased and cancelled prior to that redemption date (save in so far as such Series A Notes were purchased and cancelled prior to a previous redemption date and taken into account in reducing the amount of Series A Notes otherwise due to be redeemed in relation to that redemption date).

Redemptions will be made *pro rata* to holdings of Notes on the due redemption date with the amount to be applied in redemption of each holding being rounded down to the nearest integral multiple of, in the case of the Series A Notes, £1,000 and, in the case of the Series B Notes, £100,000 and then utilised to redeem in full an appropriate proportion of the Notes comprised in that holding.

Any interest accrued but unpaid on any Notes to be redeemed shall be paid on redemption.

(B) Purchases

The Issuer, any parent company of the Issuer (including the Guarantor) and any subsidiary of the Issuer or of the Guarantor may at any time purchase Notes in any manner and at any price.

(C) Cancellation

All Notes redeemed or purchased by the Issuer will be cancelled forthwith and such Notes may not be reissued. Notes purchased by any subsidiary of the Issuer, or by the Guarantor or any subsidiary of the Guarantor (other than the Issuer) may be held and/or resold.

8. Payments, unclaimed monies and prescription

Any interest, principal and other monies payable by the Issuer, the Guarantor, the Co-Guarantor or the Trustee on or in respect of the Notes shall be paid by cheque made payable to the order of and sent through the post to the registered address of the holder or person entitled thereto or in the case of joint holders made payable to the order of and sent through the post to the registered address of that one of the joint holders who is first named in the register in respect of the Notes or made payable to the order of such person and sent to such address as the holder or joint holders may in writing direct. Payment of any such cheque shall be a satisfaction of the monies represented thereby. Every such cheque shall be sent at the risk of the person(s) entitled to the monies represented thereby. If several persons are entered in the register as joint holders of any Notes, then without prejudice to the foregoing provisions of this Condition 8, the payment to any of such persons of the monies in question shall be as effective a discharge to the Issuer, the Guarantor, the Co-Guarantor and the Trustee as if the person to whom the payment is made was the sole registered holder of such Notes.

If any monies should remain due to any Noteholder in respect of any Notes after the due date because any cheque in respect of such monies has not been presented, then after the expiry of six months from such due date (or at such earlier time as the Trustee may agree), the Issuer or the Guarantor or the Co-Guarantor (as applicable) may pay to the Trustee the amount due to such Noteholder and upon such payment being made the interest due or the Notes which the Issuer is ready to redeem (as the case may be) shall be deemed to have been paid or redeemed. The Trustee shall place any such monies so received by it on deposit in the name of the Trustee in such bank as it may think fit and

thereafter the Trustee shall not be responsible for the safe custody of such monies or for interest thereon. Any payment made to the Trustee as described in this Condition 8 shall be held by the Trustee on trust for the holder of the relevant Notes provided that the Trustee may amalgamate any such monies with any other monies for the time being held by the Trustee for which it is accountable to any other Noteholder or to the holders of any stock or security (whether or not of the Issuer) for which it is or was the trustee under provisions equivalent to or similar to these provisions. Any monies which remain unclaimed after ten years (in the case of principal) or five years (in the case of interest), and any interest thereon, will be forfeit and will revert to the Issuer.

9. Taxation

All payments of interest and principal and any other monies payable by the Issuer, the Guarantor, the Co-Guarantor or the Trustee on or in respect of the Notes will be made free and clear of, and without withholding of or deduction for, or on account of, any taxes imposed or levied by the Netherlands or the United Kingdom or any political sub-division thereof or by any authority therein or thereof having power to tax, unless the withholding or deduction of such taxes is required by law.

10. Events of Default and change of control

(A) Events of Default

The Trustee at its discretion may and, if so requested in writing by the holders of at least one-quarter in principal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution of the Noteholders, shall (subject in each case to being indemnified and/or secured to its satisfaction) (but, in the case of the happening of any of the events mentioned in sub-paragraphs (ii), (iii), (vi), (viii) or (ix) below, only if the Trustee shall have certified in writing that such event is, in its opinion, materially prejudicial to the interests of the Noteholders) give notice to the Issuer, the Guarantor and the Co-Guarantor that the Notes are, and they shall accordingly forthwith become, immediately due and repayable at their principal amount, together with accrued interest, in any of the following events (each an **"Event of Default"**):

(i) if default should be made in the payment on the due date of any principal monies or for a period of 14 days in the payment of any interest which ought to be paid in accordance with these Conditions;

(ii) if default should be made by the Issuer, the Guarantor or the Co-Guarantor in the performance or observance of any covenant, condition or provision binding on it under the Trust Deed or the Notes (other than a covenant, condition or provision for payment of principal or interest) and (except in circumstances where the Trustee certifies that delay would in its opinion place the interests of the Noteholders in jeopardy) the same (if capable of remedy) is not remedied to the satisfaction of the Trustee within one calendar month after notice in writing of such default has been given to the Issuer, the Guarantor or the Co-Guarantor (as applicable) by the Trustee;

(iii) if the Issuer, the Guarantor or the Co-Guarantor should stop or threaten by notice to its creditors generally to stop payment of its debts generally or if the Issuer, the Guarantor or the Co-Guarantor should cease or threaten to cease to carry on business or substantially the whole of its business;

(iv) if:

(I) the Issuer should be unable to pay its debts within the meaning section 1 of the Dutch Insolvency Act (*Faillissementswet*) or section 123 of the Insolvency Act 1986;

(II) the Issuer has been granted suspension of payments (*surseance van betaling*), on a temporary basis or otherwise (within the meaning of section 214 of the Dutch Insolvency Act) or has become subject to any other similar regulation (including but not limited to emergency proceedings (*noodregeling*)), or has, wholly or partly, lost the free management or disposal of its property in any other way, the foregoing irrespective of whether that situation is irrevocable; or

(III) the Issuer should propose to its creditors any composition as regards the debts owed by the Issuer to them, whether under the laws of the Netherlands or

elsewhere and whether within or outside the scope of the insolvency proceedings referred to under (II);

(v) if:

(I) the Guarantor or the Co-Guarantor should be unable to pay its debts within the meaning section 123 of the Insolvency Act 1986 of the United Kingdom; or

(II) any voluntary arrangement should be proposed under section 1 of the Insolvency Act 1986 of the United Kingdom in respect of the Guarantor or the Co-Guarantor;

(vi) if any indebtedness in the nature of borrowings of the Guarantor or the Co-Guarantor should become repayable by reason of default by the Guarantor or the Co-Guarantor (respectively) or if any guarantee or indemnity given by the Guarantor or the Co-Guarantor is not honoured when due and called upon and, in either case, steps are taken to enforce payment;

(vii) if an order should be made or a resolution passed for the winding up of the Issuer, the Guarantor or the Co-Guarantor (except for a voluntary members' winding up approved in writing by the Trustee or by an Extraordinary Resolution of the Noteholders);

(viii) if any security interest created by the Guarantor, the Co-Guarantor, the Issuer or any Indonesian Debtor Subsidiary, other than any customary retention of title provision, should become enforceable and steps are taken to enforce the same;

(ix) if any Indonesian Debtor Subsidiary should incur or have outstanding for more than 10 business days following the date on which it becomes an Indonesian Debtor Subsidiary any indebtedness in the nature of borrowings owed to the Guarantor or any of its subsidiaries (other than the Co-Guarantor or any other Indonesian Debtor Subsidiary); or

(x) if the Guarantor should cease to be the owner (directly or indirectly) of more than 50 per cent. of the issued ordinary share capital of the Co-Guarantor or any Indonesian Debtor Subsidiary.

(B) Change of control of the Guarantor

If any person (or group of persons acting in concert within the meaning of the City Code on Takeovers and Mergers of the United Kingdom) should obtain the right to exercise more than 50 per cent. of the votes which may generally be cast at a general meeting of the Guarantor, the Guarantor shall promptly give notice of such event (a **"change of control"**). Each Noteholder at its discretion may, following a change of control, give notice to the Issuer and the Guarantor that the Notes held by that Noteholder are, and they shall accordingly forthwith become, immediately due and repayable at an amount equal to 101 per cent. of their principal amount, together with accrued interest provided that any such notice to the Issuer and the Guarantor shall only be effective if received by the Guarantor prior to the expiry of 60 days from the date of the notification by the Guarantor as to the change of control as referred to above.

11. Limitation on borrowing

For so long as any of the Notes remain outstanding, except with the sanction of an Extraordinary Resolution of the Noteholders, the combined Borrowings (as defined below) of the Issuer and the Indonesian Debtor Subsidiaries shall not, at any time, exceed an amount equal to 2.5 times the earnings before interest, tax, depreciation, amortisation and gain or loss on biological assets of REA Kaltim for the preceding financial period (expressed in dollars and calculated using figures derived from the consolidation schedules used to prepare the audited consolidated financial statements of the Guarantor for the relevant financial period) or, if more, the limit on the combined Borrowings of the Issuer and the Indonesian Debtor Subsidiaries applicable for the previous financial period (such amount being the **"Permitted Maximum"**).

For these purposes, **"Borrowings"** means:

(a) all indebtedness in the nature of borrowings owed by the Issuer to any person other than to the Guarantor, net of any cash balances deposited at a bank in the name of the Issuer; and

(b) all indebtedness in the nature of borrowings owed by the Indonesian Debtor Subsidiaries other than indebtedness in the nature of borrowings owed to the Co-Guarantor or owed by one Indonesian Debtor Subsidiary to another, net of any cash balances deposited at a bank in the name of an Indonesian Debtor Subsidiary

and **"indebtedness in the nature of borrowings owed by the Indonesian Debtor Subsidiaries"** includes:

(x) the principal amount raised by any Indonesian Debtor Subsidiary by acceptances or under any acceptance credit opened on its behalf by any bank or accepting house other than acceptances relating to the purchase of goods in the ordinary course of trading and outstanding for not more than ninety days;

(y) the principal amount outstanding in respect of any finance leases entered into by any Indonesian Debtor Subsidiary; and

(z) save where the principal obligor is another Indonesian Debtor Subsidiary, the principal amount of any monies borrowed or other indebtedness, the redemption or repayment of which is guaranteed or secured by, or is the subject of an indemnity given by, any Indonesian Debtor Subsidiary

but Borrowings shall not include amounts not exceeding $10,000,000 in aggregate of any monies borrowed by any Indonesian Debtor Subsidiary for the purpose of repaying the whole or any part (with or without premium) of any monies borrowed by that Indonesian Debtor Subsidiary then outstanding and so to be applied by that Indonesian Debtor Subsidiary within eighteen months of being so borrowed pending their application for such purpose within such periods (as to which, a certificate as to the purpose of the borrowing in question signed by any two directors of the Guarantor on behalf of the Guarantor shall be conclusive evidence as to such purpose for the purposes of this Condition 11).

Where the amount of any indebtedness required to be taken into account for the purposes of this Condition 11 is denominated or repayable (or repayable at the option of any person other than the Issuer or an Indonesian Debtor Subsidiary) in a currency other than dollars, such amount shall be translated, for the purpose of calculating the dollar equivalent, at the relevant spot rate on the day in question provided that the "day in question", for the purposes of the Notes, shall be taken to be the date on which the issue of the relevant Notes becomes unconditional.

A certificate or report by the auditors for the time being of the Guarantor as to the amount of the Permitted Maximum referred to above in this Condition 11 and/or the aggregate amount of the combined Borrowings of the Issuer and the Indonesian Debtor Subsidiaries at any time shall be conclusive evidence of such amount for the purposes of this Condition 11.

12. Other covenants

(A) Covenants by the Guarantor

The Guarantor covenants with the Trustee that for so long as any of the Notes remain outstanding the Guarantor will:

(i) carry on and conduct its businesses and affairs in a proper and efficient manner and duly comply with all obligations imposed on it by the Companies Act 2006;

(ii) keep proper books of account and therein make true and proper entries of all dealings and transactions of and in relation to its business; keep the said books of account and all other documents relating to its affairs at its registered office or such other place or places where such books of account and other documents ought in the ordinary course to be kept and allow the Trustee or any person or persons nominated by the Trustee in writing (not being a person or persons to whom the Guarantor may reasonably object) at all reasonable times to have access to such books of account and other documents to the extent relevant for the purposes of the Notes;

(iii) give to the Trustee or any person or persons nominated by the Trustee in writing (not being a person or persons to whom the Guarantor may reasonably object) such information as they may reasonably require, in such form as they may reasonably require, as to all matters

relating to the business, assets and affairs of the Guarantor, the Co-Guarantor and its subsidiaries;

(iv) furnish to the Trustee two copies of every report, balance sheet, profit and loss account, circular or notice issued by the Guarantor to its to members, in each case at the same time as the same are despatched to members of the Guarantor;

(v) send to the Noteholders a copy of (I) the annual report of the Guarantor (incorporating those reports and audited accounts required by law or the rules of the Financial Conduct Authority in its capacity as the competent authority for the purposes of Part VI of the Financial Services and Markets Act 2000 (or any successor body) to be incorporated therein) and (II) each published interim report of the Guarantor, in each case at the same time as the same are despatched to members of the Guarantor;

(vi) use its best endeavours (I) to maintain the listing of the Notes on the Official List of the Financial Conduct Authority (or any successor body) and their admission to trading on the London Stock Exchange's regulated market for listed securities (being a regulated market for the purposes of Directive 2004/39/EC (The Markets in Financial Instruments Directive)) or, if it is unable to do so having used such best endeavours or if the maintenance of such listing and admission to trading is agreed by the Trustee to be unduly onerous, use its best endeavours to obtain and maintain the quotation and listing of the Notes on such other stock exchange and by such other listing authority, where applicable, as it may (with the prior written approval of the Trustee) decide and (II) to procure that there will at all times be furnished to any stock exchange and listing authority, where applicable, on which and by which the Notes are for the time being traded and listed, on the application of the Issuer, such information as such stock exchange and listing authority, where applicable, may require in accordance with its normal requirements or in accordance with any arrangements for the time being made with any such stock exchange and listing authority, where applicable;

(vii) use all reasonable endeavours to procure that its auditors furnish to the Trustee such certificates, reports or other information as the Trustee may from time to time reasonably require and in such form as the Trustee may reasonably require in connection with any calculation or matter arising under the Trust Deed or these Conditions;

(viii) execute all such further documents and carry out all such further acts and things as may be necessary at any time or times in the opinion of the Trustee to give effect to the provisions of the Trust Deed and these Conditions;

(ix) give immediate notice in writing to the Trustee upon the Guarantor becoming aware of the happening of any such event as is mentioned in Condition 10;

(x) deliver to the Trustee (I) within 14 days of request therefor from time to time by the Trustee and (II) without the need for any such demand, within 14 days of the date on which the audited accounts for each financial year of the Guarantor are despatched to the members of the Guarantor (or, if earlier, not later than 180 days after the end of the financial year to which such audited accounts relate) a certificate signed by two directors of the Guarantor on behalf of the Guarantor certifying that, so far as the Guarantor is aware, having made all proper enquiries and except as set out in the relevant certificate, as at the date of such certificate and throughout the period from and including the date of the last such certificate to and including the date of the certificate (or throughout any other period specified by the Trustee):

(a) none of the Guarantor, the Co-Guarantor and the Issuer is, or has been, in breach of the provisions of the Trust Deed; and

(b) none of the events specified in Condition 10 has occurred;

(xi) deliver to the Trustee within 14 days of the date on which the audited accounts for each financial year of the Guarantor are despatched to the members of the Guarantor (or, if earlier, not later than 180 days after the end of the financial year to which such audited accounts relate) a certificate signed by two directors of the Guarantor on behalf of the Guarantor certifying the outstanding amounts of all loans made by the Co-Guarantor to (and repaid to the Co-Guarantor by) any Qualifying Subsidiary, and of the interest rate and repayment provisions applicable to each such loan, in each case as at the preceding accounting reference date of the Co-Guarantor;

(xii) not change its accounting reference date;

(xiii) procure that the borrowing restriction set out in Condition 11 is not breached;

(xiv) procure that no Indonesian Debtor Subsidiary permits to subsist and/or creates security interest(s) in respect of any of its assets, other than customary retention of title provisions or any security interest(s) arising by operation of law, such that, at any time while there exist any Indonesian Debtor Subsidiaries, the Indonesian Debtor Subsidiaries together have secured borrowings of more than $55,000,000 in aggregate;

(xv) procure that:

(I) in any financial period of the Guarantor when the Indonesian Debtor Subsidiaries did not together have, as at the beginning of the relevant financial period, fixed assets with an aggregate book value (expressed in dollars and calculated using figures derived from the consolidation schedules used to prepare the audited consolidated balance sheet of the Guarantor as at the end of the immediately preceding financial period) of more than three times the Permitted Maximum (as defined in Condition 11), the Indonesian Debtor Subsidiaries do not dispose (whether by way of sale, lease, transfer or otherwise) of fixed assets having an aggregate book value (expressed in dollars and calculated as provided above) of more than $2,000,000; or

(II) in any financial period of the Guarantor when the Indonesian Debtor Subsidiaries together had, as at the beginning of the relevant financial period, fixed assets with an aggregate book value (expressed in dollars and calculated using figures derived from the consolidation schedules used to prepare the audited consolidated balance sheet of the Guarantor as at the end of the immediately preceding financial period) of more than three times the Permitted Maximum (as defined in Condition 11), the Indonesian Debtor Subsidiaries do not dispose (whether by way of sale, lease, transfer or otherwise) of fixed assets having an aggregate book value (expressed in dollars and calculated as provided above) of more than the amount by which the book value of the fixed assets of the Indonesian Debtor Subsidiaries as at the beginning of the relevant financial period (expressed in dollars and calculated as provided above) exceeded three times the Permitted Maximum

provided that for the purposes of this sub-paragraph (xv):

(a) any disposal of assets by one Indonesian Debtor Subsidiary to another;

(b) any disposal of assets for cash where the proceeds of the disposal are applied within one month of the date of the disposal, in or towards repaying borrowings owed to the Issuer and the Issuer thereafter retains the proceeds of such repayment in cash or applies the proceeds in purchasing Notes;

(c) any disposal of assets for cash where the proceeds of the disposal are applied within twelve months of the date of the disposal in acquiring, or any exchange of assets for, assets of a similar nature;

(d) (A) any disposal by SYB of land to PT Ade Putra Tanrajeng of Indonesia and/or associates (the "APT group") and/or relinquishing of rights by SYB in respect of further land, in consideration of which the APT group would procure the transfer to SYB of the whole of the issued share capital of PT Praesetia Utama in connection with the proposed settlement arrangements detailed in the circular dated 13 January 2012 from the Guarantor to holders of the Series A Notes and (B) any disposal by SYB of up to (and including) five per cent of PT Praesetia Utama to a local partner; and

(e) any creation of any security interest in respect of any assets

shall be deemed not to constitute a **"disposal"** and **"fixed assets"** shall mean biological assets and property, plant and equipment that are treated as non-current assets in accordance with International Financial Reporting Standards applicable on 4 December 2006;

(xvi) procure that each of the Issuer and the Co-Guarantor complies with its covenants under the Trust Deed (including these Conditions);

(xvii) as soon as practicable after the first occasion on which the Co-Guarantor makes a loan to a Qualifying Subsidiary that is not immediately prior to the making of the loan an Indonesian Debtor Subsidiary (and in any event within five business days thereof), furnish to the Trustee:

(I) a certified copy of the loan agreement in respect of the new loan;

(II) an opinion from Ali Budiardjo, Nugroho, Reksodiputro (Counsellors at Law, Jakarta) or Oentoeng Suria & Partners (or such other firm of Indonesian lawyers as the Trustee may approve) addressed to the Trustee in relation to the relevant Qualifying Subsidiary in substantially the form of the opinion issued by Ali Budiardjo, Nugroho, Reksodiputro to Capita Trust Company Limited on 16 March 2013 (subject to any amendment(s) to which the Trustee has agreed in writing);

(III) a notification, and acknowledgement of notification, of the charge over receivables referred to in Condition 4(ii) in the form set out in the schedule to such charge over receivables, duly executed by the Co-Guarantor and the relevant Qualifying Subsidiary as applicable;

(IV) a notification, and acknowledgement of notification, of the fiduciary assignment of receivables proposed to be made between the Co-Guarantor and the Trustee in the form set out in schedules to such fiduciary assignment, duly executed by the Co-Guarantor and the relevant Qualifying Subsidiary as applicable; and

(V) a certificate signed by two directors of the Guarantor, on behalf of the Guarantor, certifying that:

(a) the loan agreement in respect of the new loan has been duly executed by the Co-Guarantor and the relevant Qualifying Subsidiary and is enforceable in accordance with its terms;

(b) the loan agreement in respect of the new loan is on the Prescribed Terms; and

(c) the Issuer is in compliance with Condition 12;

(xviii) not agree to amend, and procure that neither the Co-Guarantor nor any Indonesian Debtor Subsidiary agrees to amend, the terms of any Prescribed Loan Agreement provided that, for the avoidance of doubt, none of:

(I) any further or other arrangements pursuant to which the Co-Guarantor agrees with commercial lenders to an Indonesian Debtor Subsidiary to subordinate (a) any indebtedness owed to the Co-Guarantor by that Indonesian Debtor Subsidiary to (b) indebtedness of the Indonesian Debtor Subsidiary falling due for repayment on or before 31 August 2020 (provided that such further or other arrangements are on like or substantially similar terms to, or no more onerous terms than, those included in the subordination agreement dated 23 April 2009 and made between (1) the Issuer (as subordinated creditor), (2) REA Kaltim (as debtor) and (3) PT Bank Rabobank Indonesia and others (as senior creditors)); and

(II) any arrangements pursuant to which the Co-Guarantor agrees with the relevant counterparties to any derivative financial instrument entered into by any Indonesian Debtor Subsidiary with a view to hedging against US dollars indebtedness owed by the Indonesian Debtor Subsidiary in a currency other than US dollars (a **"hedging contract"**) to subordinate (a) any indebtedness owed to the Co-Guarantor by that Indonesian Debtor Subsidiary to (b) the obligations of the Indonesian Debtor Subsidiary under the hedging contract

will constitute an amendment for the purposes of this sub-paragraph (xviii);

(xix) apply the proceeds of any loans made to it by the Issuer as provided in Condition 3 only as stipulated in Condition 3; and

(xx) procure that the aggregate value of the assets subject to the security referred to at Conditions 4 and 5 at all times equals or exceeds an amount equal to the principal amount of the Notes outstanding from time to time plus, to the extent that the cash held by the Issuer or the Co-Guarantor at bank (and charged as security as referred to at Condition 4 or 5) is less than the principal amount of the Notes outstanding, the greater of (a) 50 per cent. of the amount by which the principal amount of the Notes outstanding exceeds the cash so held and (b) £10,000,000 and, for this purpose, cash on deposit and any loans by the Co-Guarantor to any Indonesian Debtor Subsidiary shall be valued at face value, with any cash deposits not retained in sterling translated into sterling at the relevant spot rates on the day of valuation and any loans by the Co-Guarantor to any Indonesian Debtor Subsidiary made in dollars translated into sterling at the relevant spot rate(s) on the day(s) on which such loans were first advanced (or, in the case of the loan of $26,500,000 owed by SYB and assigned by the Issuer to the Co-Guarantor on 29 November 2010, at the rate of £1=$1.6143) provided that, for the purposes of this sub-paragraph (xx), monies in the course of being transferred by the Issuer (from an account charged as required pursuant to Condition 5) to the Co-Guarantor (to an account charged as required pursuant to Condition 4), and *vice versa*, including transfers from the Issuer to the Co-Guarantor at the direction of the Guarantor and *vice versa*, shall be deemed to remain charged during the course of such transfer.

(B) Covenants by the Issuer

The Issuer covenants with the Trustee that for so long as any of the Notes remain outstanding the Issuer will:

(i) carry on and conduct its businesses and affairs in a proper and efficient manner and duly comply with all obligations imposed on it by its articles of association (*statuten*) and by Book 2 of the Dutch Civil Code (*Burgerlijk Wetboek*);

(ii) keep proper books of account and therein make true and proper entries of all dealings and transactions of and in relation to its business; keep the said books of account and all other documents relating to its affairs at its registered office or such other place or places where such books of account and other documents ought in the ordinary course to be kept and allow the Trustee or any person or persons nominated by the Trustee in writing (not being a person or persons to whom the Issuer may reasonably object) at all reasonable times to have access to such books of account and other documents to the extent relevant for the purposes of the Notes;

(iii) give to the Trustee or any person or persons nominated by the Trustee in writing (not being a person or persons to whom the Issuer may reasonably object) such information as they may reasonably require, in such form as they may reasonably require, as to all matters relating to the business, assets and affairs of the Issuer and its subsidiaries (if any);

(iv) not open any bank account (other than its accounts with ABN Amro Bank N.V.) without:

(I) the same first being approved by the Trustee; and

(II) creating, in favour of the Trustee (on behalf of Noteholders) a charge over the same on terms to be approved by the Trustee with the highest possible ranking as security for the payment of interest in respect of the Notes and repayment of the principal amount of the Notes and for its obligations under the Trust Deed;

(v) apply the proceeds of issue of the Notes only as stipulated in Condition 3;

(vi) apply any monies lent by it to the Guarantor and subsequently repaid only:

(I) in making one or more cash deposits into a bank account of the Issuer charged as referred to in Condition 5 or in accordance with sub-paragraph (iv) above;

(II) in meeting costs and expenses in the ordinary course of its business (including without limitation in meeting interest payments due in respect of the Notes);

(III) in making loans to the Guarantor; and/or

(IV) in purchasing or redeeming Notes;

(vii) not lend monies to any person other than the Guarantor provided that this shall not preclude the depositing of monies in a bank account as permitted under the terms of the Trust Deed;

(viii) not incur any indebtedness in the nature of borrowings, other than:

(I) in respect of the Notes; or

(II) in respect of unsecured loans due to the Guarantor,

and in any event not incur any indebtedness in the nature of borrowings where to do so would result in a breach, on the date on which the borrowing would be incurred, of the borrowing restriction set out in Condition 11;

(ix) not create any security interest in respect of any of its assets, other than customary retention of title provisions or any security interests arising by operation of law and other than as envisaged at Condition 5;

(x) not change its financial year end;

(xi) give immediate notice in writing to the Trustee upon the Issuer becoming aware of the happening of any such event as is mentioned in Condition 10;

(xii) execute all such further documents and carry out all such further acts and things as may be necessary at any time or times in the opinion of the Trustee to give effect to the Trust Deed and these Conditions;

(xiii) comply with the requirement to benefit from the banking license exemption as laid down in Section 3:2 of the Dutch Financial Markets Supervision Act (*Wet op het financieel toezicht*) and implementing regulations as amended from time to time; and

(xiv) once there are Series B Notes in issue, not issue any further Series A Notes.

(C) Covenants by the Co-Guarantor

The Co-Guarantor covenants with the Trustee that for so long as any of the Notes remain outstanding the Co-Guarantor will:

(i) carry on and conduct its businesses and affairs in a proper and efficient manner and duly comply with all obligations imposed on it by the Companies Act 2006;

(ii) keep proper books of account and therein make true and proper entries of all dealings and transactions of and in relation to its business; keep the said books of account and all other documents relating to its affairs at its registered office or such other place or places where such books of account and other documents ought in the ordinary course to be kept and allow the Trustee or any person or persons nominated by the Trustee in writing (not being a person or persons to whom the Co-Guarantor may reasonably object) at all reasonable times to have access to such books of account and other documents to the extent relevant for the purposes of the Notes;

(iii) without prejudice to sub-paragraph (ii) above, keep proper records of all amounts lent by it to (and repaid or prepaid to it by) any Qualifying Subsidiary, and of the interest rate and repayment provisions applicable to each such loan, and notify the Trustee promptly (and in any event within five business days) upon (I) any new loan being made by it to a Qualifying Subsidiary (giving details of the amount of the loan and of the interest rate and repayment provisions applicable to it) and (II) any loan made by it to a Qualifying Subsidiary being repaid or prepaid in full or in part (giving details of the amount repaid or prepaid);

(iv) give to the Trustee or any person or persons nominated by the Trustee in writing (not being a person or persons to whom the Co-Guarantor may reasonably object) such information as

they may reasonably require, in such form as they may reasonably require, as to all matters relating to the business, assets and affairs of the Co-Guarantor and its subsidiaries (if any);

(v) at all times maintain a bank account with a bank approved by the Trustee and charged in favour of the Trustee (on behalf of Noteholders) on terms approved by the Trustee with the highest possible ranking as security for its guarantee in respect of the Notes (provided that, for the avoidance of doubt, the Co-Guarantor shall be at liberty to maintain such other, uncharged, bank accounts as it considers appropriate);

(vi) apply the proceeds of any loans made to it by the Guarantor as provided in Condition 3 only as stipulated in to Condition 3;

(vii) apply any monies lent by it to a Qualifying Subsidiary and subsequently repaid only:

(I) in making one or more cash deposits into the bank account of the Co-Guarantor charged in accordance with Condition 12(C)(v);

(II) in making one or more loans to any Qualifying Subsidiary on the Prescribed Terms;

(III) in repaying amounts owed to the Guarantor;

(IV) in making one or more loans to the Guarantor on such terms as may be agreed from time to time between the Co-Guarantor and the Guarantor; and/or

(V) in paying dividends;

(viii) lend monies to any Qualifying Subsidiary only in accordance with the terms of a loan agreement made between the Co-Guarantor and the Qualifying Subsidiary on the Prescribed Terms;

(ix) not agree to amend the terms of any Prescribed Loan Agreement provided that, for the avoidance of doubt, none of:

(I) any further or other arrangements pursuant to which the Co-Guarantor agrees with commercial lenders to an Indonesian Debtor Subsidiary to subordinate (a) any indebtedness owed to the Co-Guarantor by that Indonesian Debtor Subsidiary to (b) indebtedness of the Indonesian Debtor Subsidiary falling due for repayment on or before 31 August 2020 (provided that such further or other arrangements are on like or substantially similar terms to, or no more onerous terms than, those included in the subordination agreement dated 23 April 2009 and made between (1) the Issuer (as subordinated creditor), (2) REA Kaltim (as debtor) and (3) PT Bank Rabobank Indonesia and others (as senior creditors)); and

(II) any arrangements pursuant to which the Co-Guarantor agrees with the relevant counterparties to any derivative financial instrument entered into by any Indonesian Debtor Subsidiary with a view to hedging against US dollars indebtedness owed by the Indonesian Debtor Subsidiary in a currency other than US dollars (a **"hedging contract"**) to subordinate (a) any indebtedness owed to the Co-Guarantor by that Indonesian Debtor Subsidiary to (b) the obligations of the Indonesian Debtor Subsidiary under the hedging contract

will constitute an amendment for the purposes of this sub-paragraph (ix);

(x) furnish the Trustee with a certified copy of any subordination or hedging agreement as is referred to at sub-paragraphs (ix)(I) and (ix)(II) above as soon as practicable after such agreement is entered into;

(xi) not change its financial year end;

(xii) give immediate notice in writing to the Trustee upon the Issuer becoming aware of the happening of any such event as is mentioned in Condition 10;

(xiii) execute all such further documents and carry out all such further acts and things as may be necessary at any time or times in the opinion of the Trustee to give effect to the Trust Deed and these Conditions; and

(xiv) not agree repayment amounts as regards the loans due to it by Indonesian Debtor Subsidiaries which would result in the aggregate amount being due to it by Indonesian Debtor Subsidiaries on any repayment date, when aggregated with the cash amounts then held by the Co-Guarantor and/or the Issuer in a bank account charged in favour of the Trustee (on behalf of Noteholders), being less than the aggregate amount then due to holders of sterling notes by the Issuer on the next following redemption date and, for this purpose, loans due to the Co-Guarantor by Indonesian Debtor Subsidiaries that are denominated in dollars shall be translated into sterling at the relevant spot rate(s) on the day(s) on which such loans were first advanced (or, in the case of the loan of $26,500,000 owed by SYB and assigned by the Issuer to the Co-Guarantor on 29 November 2010, at the rate of £1=$1.6143).

The Trust Deed does not contain any provisions limiting the borrowings of the Guarantor or any of its subsidiaries, other than the Issuer and the Indonesian Debtor Subsidiaries, nor any provisions restricting or prohibiting the granting of security by the Guarantor or any of its subsidiaries, other than the Issuer and the Indonesian Debtor Subsidiaries.

13. Enforcement of rights

(A) Enforcement by the Trustee

The Trustee may at any time, at its discretion and without notice, take such proceedings against the Issuer and/or the Guarantor and/or the Co-Guarantor as it may think fit to enforce the provisions of the Trust Deed or the Notes, but it shall not be bound to take any such proceedings or any other action in relation to the Trust Deed or the Notes unless (i) it has been so directed by an Extraordinary Resolution of the Noteholders or so requested in writing by the holders of at least one-quarter in principal amount of the Notes then outstanding and (ii) it has been indemnified or secured to its satisfaction.

(B) Enforcement by the Noteholders

No Noteholder shall be entitled to proceed directly against the Issuer unless the Trustee, having become bound so to proceed, fails so to do within a reasonable period and the failure shall be continuing.

14. Meetings of Noteholders and class meetings

The Trust Deed contains provisions for convening meetings of Noteholders to consider any matter affecting their interests, including the modification by Extraordinary Resolution of any of these Conditions or any of the provisions of the Trust Deed.

The Trust Deed contains provisions for convening a single meeting of Noteholders in all circumstances save where the matter(s) to be considered include proposals for the variation or abrogation of the special rights attached to a series (or class) of Notes, in which event such rights may only be varied or abrogated either (a) with the consent in writing of the holders of more than 75 per cent in nominal value of the issued Notes of that series (or class); or (b) with the sanction of an Extraordinary Resolution passed at a separate meeting of the holders of that series (or class). For this purpose, "special rights" means rights particular to one series (or class) of Notes, rather than attached to all of the Notes.

The quorum at any meeting of Noteholders (or meeting of the holders of any series (or class) of Notes) for passing an Extraordinary Resolution, other than an adjourned meeting, is one or more persons holding or representing at least one third of the principal amount of the Notes (or the relevant series (or class) of Notes) for the time being outstanding. The quorum at any meeting of Noteholders (or meeting of the holders of any series (or class) of Notes) for passing an Extraordinary Resolutionat an adjourned meeting is one or more holders or representatives of holders of Notes (or the relevant series (or class) of Notes) whatever the principal amount of the Notes for the time being outstanding so held or represented. An Extraordinary Resolution passed at any meeting of Noteholders (or meeting of the holders of any series (or class) of Notes) will be binding on all Noteholders, whether or not they are present at the meeting.

15. Modification and waiver

The Trustee may agree, without the consent of the Noteholders, to any modification (subject to certain exceptions) of, or to the waiver or authorisation of any breach or proposed breach of, any of these Conditions or any of the provisions of the Trust Deed which is not, in the opinion, of the Trustee, materially prejudicial to the interests of the Noteholders or to any modification which is, in the opinion of the Trustee, of a formal, minor or technical nature or which is made to correct a manifest or proven error. Any such modification, waiver or authorisation shall be binding on the Noteholders and, unless the Trustee agrees otherwise, any such modification shall be notified to the Noteholders as soon as practicable thereafter in accordance with Condition 18.

16. Further issues

Subject to certain limitations included in clause 3 of the Trust Deed, the Issuer shall be at liberty from time to time without the consent of the Noteholders to create and issue further notes or bonds either ranking *pari passu* in all respects (save for the first payment of interest thereon) and (in the case of notes) so that the same shall be consolidated and form a single series with the Series B Notes (or, where there are no Series B Notes in issue, the Series A Notes) or upon such terms as to ranking, interest, premium, redemption and otherwise as the Issuer may at the time of the issue thereof determine. Any such notes or bonds, if they are to form a single series with the Series A Notes or the Series B Notes, shall be constituted by a deed supplemental to the Trust Deed and in any other case in such manner as the Trustee may agree.

17. Replacement of certificates

If any certificate in respect of Notes be worn out or defaced then, upon production of such certificate to the Issuer, the Issuer shall cancel the same and shall issue a new certificate in lieu thereof to the person(s) entitled to such worn out or defaced certificate. If any such certificate be lost or destroyed then, upon proof thereof to the satisfaction of the Issuer and on such terms as to evidence and indemnity as the Issuer may deem adequate being given, the Issuer shall issue a new certificate in lieu thereof to the person(s) entitled to such lost or destroyed certificate. An entry as to the issue of the new certificate and indemnity (if any) shall be made in the register of Noteholders.

18. Notices to Noteholders

Any notice may be given to or served on any Noteholder either personally or by sending it by first class or airmail post in a prepaid envelope addressed to him at his registered address or (if he desires that notices shall be sent to some other person or address) to the person at the address supplied by him to the Issuer for the giving of notices or sending of other documents to him. In the case of joint registered holders of any Notes, a notice given to the Noteholder whose name stands first in the register in respect of such Notes shall be sufficient notice to all the joint holders. Any notice or other document duly served on or delivered to any Noteholder as provided above shall, notwithstanding that such Noteholder is then dead or bankrupt or that any other event has occurred and whether or not the Issuer has notice of the death or the bankruptcy or other event, be deemed to have been duly served or delivered in respect of any Notes registered in the name of such Noteholder as sole or joint holder unless before the day of posting (or if it is not sent by post before the day of service or delivery) of the notice or document his name has been removed from the register as the holder of the Notes, and such service or delivery shall for all purposes be deemed a sufficient service or delivery of such notice or document on all persons interested (whether jointly with or claiming through or under him) in the Notes.

Any notice given or document served by post shall be deemed to have been given or served on the day following that on which the same is posted and in proving such service it shall be sufficient to prove that the envelope or wrapper containing the notice of the document or the notice or document itself was properly addressed stamped and posted. Any notice given or document served by delivery otherwise than by post shall be deemed to have been given or served at the time it is delivered to the address hereinbefore specified.

A Noteholder who, having no registered address within the European Union, has not supplied to the Issuer an address within the European Union for the service of notices shall not be entitled to receive notices from the Issuer. The Issuer may, at its discretion, give notices to such Noteholder by advertisement (to Noteholders generally) in a national newspaper published in the Netherlands and a national newspaper published in the United Kingdom, and any such notices shall be deemed to be effective on the date of such publication.

If at any time the Issuer is unable to give notice by post as a result of the suspension or curtailment of postal services in the Netherlands and/or the United Kingdom, notice may be given to Noteholders by advertisement in a national newspaper published in the Netherlands and a national newspaper published in the United Kingdom. In any such case, the Issuer shall send confirmatory copies of the notice by post as soon as practicable after normal postal services throughout the Netherlands or the United Kingdom (as applicable) are restored.

19. Notices to the Issuer, to the Guarantor and to the Co-Guarantor

Any notice, demand or other document may be served:

(i) on the Issuer by sending the same by post in a prepaid letter to the registered office of the Issuer marked for the attention of The Managing Trustee, or to such other address in the Netherlands and/or addressee as the Issuer may from time to time notify to the Trustee and to Noteholders;

(ii) on the Guarantor or the Co-Guarantor by sending the same by post in a prepaid letter to the registered office of the Guarantor or the Co-Guarantor (as applicable) marked for the attention of The Company Secretary, or to such other address in England and/or addressee as the Guarantor may from time to time notify to the Trustee and to Noteholders.

Any notice, demand or other document served on the Issuer shall be copied to the Guarantor in accordance with sub-paragraph (ii) above.

20. Trustee

Capita Trust Company Limited, whose principal office is [*4th Floor, 40 Dukes Place, London EC3A 7NH*], has agreed to act as trustee of the Noteholders in respect of the Notes.

The statutory power of appointing new trustees shall be vested in the Issuer but a new trustee so appointed must in the first place be approved by the Noteholders by an Extraordinary Resolution. At least one trustee must be a trust corporation and a trust corporation may be a sole trustee. Whenever there are more than two trustees, a majority of trustees shall be competent to exercise all the powers, authorities and discretions vested in the Trustee under the Trust Deed or by law, provided always that a trust corporation is included in such majority.

Any trustee may at any time on the expiry of not less than three months' written notice to that effect given to the Issuer retire without assigning any reason and without being responsible for any expense thereby occasioned.

As between the Trustee and the Noteholders, the Trustee shall have full power to determine all questions and doubts arising in relation to any of the provisions of the Trust Deed and the Notes and every such determination, whether made upon a question actually raised or implied in the acts or proceedings of the Trustee, shall be conclusive and shall bind all Noteholders.

The Issuer will pay to the Trustee by way of remuneration for its services as trustee such sum as may from time to time be agreed between them, together with any amount of value added tax or similar tax in respect thereof. The Issuer shall also reimburse all costs, charges, liabilities and expenses reasonably incurred by the Trustee in relation to the carrying out of its functions as trustee, together with any amount of irrecoverable value added tax or similar tax in respect thereof.

21. Indemnity in favour of the Trustee and contracts between the Trustee and the Issuer and/or the Guarantor

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility, including provisions relieving it from taking action unless indemnified and/or secured to its satisfaction.

The Trust Deed also contains provisions pursuant to which the Trustee is entitled, inter alia, (a) to enter into business transactions with the Issuer and/or the Guarantor and/or the Co-Guarantor and/or any of their respective subsidiaries and to act as trustee for the holders of any other securities issued or guaranteed by, or relating to, the Issuer and/or the Guarantor and/or the Co-Guarantor and/or any of their respective subsidiaries, (b) to exercise and enforce its rights, comply with its obligations and perform its duties under or in relation to any such transactions or, as the case may be, any such

trusteeship without regard to the interests of, or consequences for, the Noteholders, and (c) to retain and not be liable to account for any profit made or any other amount or benefit received thereby or in connection therewith.

22. Exercise of functions by the Trustee

In connection with the exercise of any of its trusts, powers or discretions (including but not limited to those relating to any proposed modification, waiver, authorisation or substitution), the Trustee shall have regard to the general interests of the Noteholders as a class but shall not have regard to any interest arising from circumstances particular to individual Noteholders (whatever their number) and, in particular but without limitation, shall not have regard to the consequences of such exercise for individual Noteholders (whatever their number) resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory. The Trustee shall not be entitled to require, nor shall any Noteholder, in connection with any such modification, waiver, authorisation or substitution, be entitled to claim from the Issuer or any other person any indemnification or payment in respect of any tax or other consequence thereof upon individual Noteholders.

23. Governing law and submission to jurisdiction

The Trust Deed and the Notes are governed by, and shall be construed in accordance with, English law. The Issuer, the Guarantor and the Co-Guarantor have irrevocably agreed, and each Noteholder is deemed to have irrevocably agreed, that only the courts of England and those of the Netherlands have jurisdiction to hear and decide any suit, action or proceedings, and to settle any dispute, controversy or claim, which may in either case arise out of or in any way relate to the Trust Deed or the Notes.

PART V – ADDITIONAL INFORMATION

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1. **Responsibility**

REAH accepts responsibility for the information contained in this document. To the best of the knowledge and belief of REAH (which has taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

2. **Taxation**

2.1 General

The comments below are of a general nature and are based upon REA Finance's understanding of current UK tax laws and the practice of Her Majesty's Revenue and Customs (**"HMRC"**) as of the date of this document. They do not purport to be a complete analysis of all tax considerations, relate only to the position of persons who hold existing sterling notes as an investment and are the absolute beneficial owners of existing sterling notes and may not apply to certain classes of persons such as dealers, persons who have acquired their existing sterling notes by reason of their employment or persons connected with REAH for relevant tax purposes. Save as specifically mentioned, the comments apply only to holders of existing sterling notes who are resident and (if individuals) domiciled in the UK for tax purposes. Holders of existing sterling notes who are in any doubt as to their taxation position or who may be subject to tax in a jurisdiction other than the UK should consult their own professional adviser.

Your attention is also drawn to part 5 of the accompanying summary and securities note, which sets out the UK tax treatment applicable to holders of the new sterling notes.

2.2 UK individuals and other holders not within the charge to UK corporation tax

Receipt of new sterling notes

On the basis that the existing sterling notes and the new sterling notes are denominated in sterling, they fall within the definition of a qualifying corporate bond in section 117(1) of the Taxation and Chargeable Gains Act 1992 (**"TCGA"**). Therefore both the existing sterling notes and the new sterling notes are and will be qualifying corporate bonds.

Accordingly, to the extent that a noteholder accepts the offer (whether in respect of part or all of a holding of existing sterling notes) the noteholder will be treated as disposing of its existing sterling notes. Qualifying corporate bonds are outside the UK capital gains tax regime, and therefore the receipt by a noteholder of new sterling notes in proportion to the existing sterling notes exchanged under the offer should give rise to neither a chargeable gain nor an allowable loss.

Receipt of cash premium

The £2,000 in cash receivable in relation to each £100,000 nominal of existing sterling notes exchanged should be treated as consideration for the disposal of the existing sterling notes (in addition to the receipt of the new sterling notes) and, therefore, as the receipt of a capital sum for tax purposes. As explained above, the existing sterling notes are outside the UK capital gains tax regime and,

therefore, the receipt of the £2,000 in cash in relation to each £100,000 nominal of existing sterling notes exchanged should not be subject to UK capital gains tax.

Receipt of cash in lieu of accrued interest

The payment of cash in lieu of accrued interest on the existing sterling notes should give rise to a charge to UK tax on income in the same manner as interest paid on the existing sterling notes in accordance with their terms.

2.3 UK corporation tax payers

Holders of existing sterling notes falling within the charge to UK corporation tax should be taxed in accordance with the provisions contained in part 5 of the Corporation Tax Act 2009 relating to the taxation of loan relationships. The effect of these provisions is that any profits and gains (including interest, premium and gains on the exchange of existing sterling notes for new sterling notes) in the hands of such holders will generally be charged to tax as income in the accounting period current as at the date of the exchange on a basis reflecting the treatment in the noteholders' statutory accounts. However, the loan relationship provisions apply to authorised unit trusts, open ended investment companies, investment trusts or venture capital trusts in modified form. In particular, profits of a capital nature are generally excluded in relation to such entities. Any capital profit arising to such entities in relation to the offer (including, for example, the payment of the premium) may therefore, according to the relevant accounting treatment, not be taxable in such taxpayers' hands.

2.4 The top-up option

UK individuals and other holders not within the charge to UK corporation tax

Where a noteholder must pay a shortfall in order to participate in the offer, the tax analysis at 2.2 and 2.3 above remains applicable to the acceptance of the offer in respect of the whole of that noteholder's holding of existing sterling notes and the new sterling notes, cash premium and cash in lieu of accrued interest received in respect of those existing sterling notes.

It is expected that the cash amount payable in respect of the shortfall should be treated as a subscription for new sterling notes. It is further expected that the cash premium received in respect of the shortfall should be treated as a reduction in the subscription monies paid for the new sterling notes, and as a consequence, the base cost in those notes would be reduced accordingly. This analysis is not free from doubt however, but as the new sterling notes are qualifying corporate bonds (as to which see 2.2 above) and are therefore exempt assets for UK capital gains tax purposes, any reduction in base cost should have no impact on tax payable on a disposal of the new sterling notes.

UK corporation tax payers

The tax analysis at 2.3 applies equally to the acceptance of the offer in respect of the whole of that noteholder's holding of existing sterling notes and to the subscription for new sterling notes by way of payment of a cash amount in respect of the shortfall.

2.5 UK stamp duty and stamp duty reserve tax

No UK stamp duty on stamp duty reserve tax should be payable on the exchange of existing sterling notes for the new sterling notes on the basis that both the existing sterling notes and the new sterling notes constitute loan capital within the meaning of section 78 of the Finance Act 1986.

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. THIS DOCUMENT CONTAINS IMPORTANT INFORMATION OF INTEREST TO THE REGISTERED AND BENEFICIAL OWNERS OF THE 9.5 PER CENT GUARANTEED STERLING NOTES 2015/17 ISSUED BY REA FINANCE B.V. ALL DEPOSITARIES, CUSTODIANS AND OTHER INTERMEDIARIES RECEIVING THIS NOTICE ARE REQUESTED TO PASS THIS NOTICE TO SUCH BENEFICIAL OWNERS IN A TIMELY MANNER.

If you are in any doubt as to what action you should take, you are recommended to consult your stockbroker, solicitor, accountant or other appropriate independent financial adviser duly authorised, if you are resident in the United Kingdom, under the Financial Services and Markets Act 2000 or, if you are not so resident, under the relevant applicable local law.

This document is addressed only to holders of the 9.5 per cent guaranteed sterling notes 2015/17 issued by REA Finance B.V. and persons to whom it may otherwise be lawful to distribute it ("relevant persons"). It is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this document relates is available only to relevant persons and will be engaged in only with relevant persons.

REA Finance B.V.

(a private company with limited liability *(besloten vennootschap met beperkte aansprakelijkheid*) incorporated under the laws of the Netherlands and registered with the trade registry of the Chamber of Commerce and Industries in Amsterdam with number 34259527)

NOTICE OF MEETING OF THE HOLDERS OF THE 9.5 PER CENT STERLING NOTES 2015/17 ISSUED BY REA FINANCE B.V. AND IRREVOCABLY AND UNCONDITIONALLY GUARANTEED BY R.E.A. HOLDINGS PLC AND R.E.A. SERVICES LIMITED

NOTICE is hereby given that, pursuant to the provisions of schedule 3 (Meetings of Noteholders) to the amended and restated trust deed dated 29 November 2010, , REA Finance B.V. has called a meeting of the holders of 9.5 per cent guaranteed sterling notes 2015/17 issued by REA Finance B.V. to be held at the offices of Alter Domus B.V on 6th Floor, De Boelelaan 7, 1083 HJ Amsterdam, The Netherlands on 27 August 2015 at 12.00 noon (CEST) for the purpose of considering and, if thought fit, passing the following resolution which will be proposed as an extraordinary resolution

EXTRAORDINARY RESOLUTION

THAT, with immediate effect, the holders of the 9.5 per cent guaranteed sterling notes 2015/17 issued by REA Finance B.V. and irrevocably and unconditionally guaranteed by R.E.A. Holdings plc and R.E.A. Services Limited (the **"existing sterling notes"**) hereby:

(a) sanction the proposed amendments to clause 4 of the amended and restated trust deed constituting the existing sterling notes (the **"trust deed"**) to permit the creation and issue of additional sterling notes as a series of notes separate from the existing sterling notes pursuant to a deed supplemental to the trust deed and authorise and request the trustee for the holders of the existing sterling notes (the **"trustee"**) to enter into a supplemental trust deed (in the form made available for inspection at the meeting and marked "A", subject to such amendments, if any, as the trustee my agree in accordance with the authority, direction and powers

granted pursuant to paragraph (e) below) for the purposes of effecting such amendments;

(b) further sanction the proposed further amendments to and re-statement of the trust deed to constitute £40,000,000 nominal of 8.75 per cent guaranteed sterling notes 2020 of REA Finance B.V. (**"new sterling notes"**) as a series of notes separate from the existing sterling notes and to effect the consequential and other amendments to the trust deed detailed in the circular letter dated 3 August 2015 from R.E.A. Holdings plc to the holders of the existing sterling notes (the **"offer document"**) and authorise and request the trustee to enter into a further supplemental trust deed (in the form made available for inspection at the meeting and marked "B", subject to such amendments, if any, as the trustee my agree in accordance with the authority, direction and powers granted pursuant to paragraph (e) below) for the purposes of constituting the new sterling notes and effecting such amendments and re-statement;

(c) further sanction the proposed amendments to, confirmation of and/or re-issue of the existing security for the obligations of REA Finance B.V. and R.E.A. Services Limited in relation to the existing sterling notes for the purposes of ensuring and confirming that the security applies equally as regards the new sterling notes (and any further issues of notes pursuant to the trust deed as amended from time to time) as it does to the existing sterling notes, and authorise and request the trustee to enter into such deeds and other documents as R.E.A. Holdings plc may certify to the trustee as being, in the opinion of R.E.A. Holdings plc, necessary or desirable for the purposes of effecting such amendments and confirmations, including, without limitation:

(i) a letter of confirmation in relation to the Dutch law pledge created by REA Finance B.V.;

(ii) deeds of amendment in relation to the two English law charges created by REA Services Limited; and

(iii) a new Indonesian law fiduciary assignment of receivables proposed to be made between REA Services Limited and the trustee

(in the forms made available for inspection at the meeting and marked, respectively, "C", "D", "E" and "F", subject to such amendments, if any, as the trustee my agree in accordance with the authority, direction and powers granted pursuant to paragraph (e) below);

(d) further sanction the proposed amendments to the terms of the existing loans by R.E.A. Services Limited to qualifying subsidiaries as detailed in the offer document;

(e) authorise, direct and empower the trustee:

(i) to agree to such amendments to the two supplemental trust deeds referred to in paragraphs (a) and (b) above as may, in the trustee's sole and absolute discretion, be necessary, appropriate or desirable; and

(ii) to concur in and execute such deeds and instruments and do such other acts and things as may, in the trustee's sole and absolute discretion, be necessary, appropriate or desirable to carry out and give effect to this extraordinary resolution in connection with the

implementation of the matters referred to in paragraphs (a) to (d) above;

(f) approve each and every modification, waiver, abrogation, variation, compromise of, or arrangement in respect of, the rights of the holders of the existing sterling notes against REA Finance B.V. resulting from or to be effected by this extraordinary resolution or its implementation;

(g) acknowledge that the trustee has not made any investigation or enquiry into the power and capacity of any person to enter into all or any of the documents referred to in paragraphs (a) to (d) above or the due execution and delivery or the enforceability thereof (including, without limitation, the obtaining of any legal opinions in relation thereto) and agree that the trustee shall not be liable to any holder of the existing sterling notes for the failure to do so or for any consequences thereof;

(h) irrevocably and unconditionally release and exonerate the trustee from any liability in respect of anything done or omitted to be done by the trustee in good faith in connection with this extraordinary resolution or its implementation, the execution of the documents referred to in paragraphs (a) to (d) above or the issuance of the new sterling notes; and

(i) irrevocably and unconditionally waive any claim that they may have against the trustee as a result of anything done or omitted to be done by the trustee in good faith in connection with this extraordinary resolution or its implementation, the execution of the documents referred to in paragraphs (a) to (d) above or the issuance of the new sterling notes notwithstanding that it may subsequently be found that there is a defect in the processes surrounding the passing of this extraordinary resolution or that this extraordinary resolution is not valid or binding upon the holders of the existing sterling notes.

This notice is given by order of the board by
Corfas B.V.
Managing Director
for and on behalf of REA Finance B.V.

Registered office
De Boelelaan 7
1083 HJ Amsterdam
The Netherlands

3 August 2015

Capita Trust Company Limited, as trustee for the holders of existing sterling notes, has not been involved in the formulation of, nor approved, the proposals outlined in the offer document (of which this notice of meeting ("this notice") forms a part) and, in accordance with normal practice, expresses no opinion as to the purpose or merits (or otherwise) of the passing of the extraordinary resolution set out in this notice. Nothing in the offer document should be construed as a recommendation from Capita Trust Company Limited to holders of existing sterling notes to vote in favour of, or against, the extraordinary resolution set out in this notice. Capita Trust Company Limited is not responsible for the accuracy, completeness, validity or correctness of the statements made, documents referred to or opinions expressed in this notice, nor for any omissions therefrom.

Capita Trust Company Limited has, however, authorised it to be stated that on the basis of the information contained in the offer document and the terms of the extraordinary resolution set out in this notice, it has given its consent to the issue of this notice, and the offer document, to the holders of existing sterling notes and has no objection to the contents thereof being presented to the holders of existing sterling notes for their consideration.

Each holder of existing sterling notes is solely responsible for making its own independent appraisal of all matters relating to this notice, the existing sterling notes and REA Finance B.V. as it deems appropriate. Each holder of existing sterling notes should take its own advice on the merits and/or the consequences of voting in favour of or against the extraordinary resolution set out in this notice.

Notes

1. The proposed amendments to the amended and restated trust deed constituting the existing sterling notes and the proposed amendments to the terms of the existing loans by R.E.A. Services Limited to qualifying subsidiaries, in each case as detailed in the offer document, require the sanction of holders of existing sterling notes given by extraordinary resolution of the holders of existing sterling notes.

2. The quorum required for a meeting of holders of existing sterling notes is one or more persons holding or representing by proxy one-third in nominal amount of the existing sterling notes for the time being outstanding. An extraordinary resolution as referred to in this notice is a resolution passed at a meeting of the holders of existing sterling notes by a majority consisting of not less than three-fourths of the persons voting thereat upon a show of hands or if a poll is duly demanded then by a majority consisting of not less than three-fourths of the votes given on such a poll. An extraordinary resolution passed at a meeting of the holders of existing sterling notes duly convened and held is binding upon all holders of existing sterling notes whether or not present at the meeting.

3. On a show of hands every holder of existing sterling notes who is present in person shall have one vote and on a poll every holder of existing sterling notes who is present in person or by proxy shall have one vote for every £1,000 in nominal amount of existing sterling notes of which he is the holder. In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall have a casting vote in addition to any vote or votes to which he may be entitled as a holder of existing sterling notes.

4. Every resolution submitted to a meeting of holders of existing sterling notes will be decided in the first instance by a show of hands. Unless before or on the declaration of the result of the show of hands a poll is demanded by the chairman, the trustee or by at least three holders of existing sterling notes present in person or by proxy or by one or more persons holding or representing by proxy at least one-twentieth part in nominal amount of the existing sterling notes in issue, a declaration by the chairman that a resolution has been carried or carried by a particular majority or lost or not carried by a particular majority shall be conclusive evidence of the fact. A poll demanded on the election of a chairman or on a question of adjournment shall be taken forthwith. A poll demanded on

any other question shall be taken either forthwith or at such time or date as the chairman may direct. The demand for a poll may be withdrawn.

5. A holder of existing sterling notes entitled to attend and vote at the meeting convened by the above notice may appoint a proxy to attend and, on a poll, vote instead of him or her. A proxy need not be a holder of existing sterling notes. To be valid, the instrument appointing a proxy must be deposited with Capita Asset Services at PXS, 34 Beckenham Road, Beckenham, Kent BR3 4TU by no later than 11.00 a.m. (BST) on 25 August 2015. The appointment of a proxy will not prevent a holder of existing sterling notes from attending and voting at the meeting should such holder wish to do so. Any questions relating to the completion of the instrument appointing a proxy should be addressed to Capita Asset Services.