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This document comprises a supplementary prospectus in connection with the proposed issue by R.E.A. Holdings plc (the "company") of up to \$50,000,000 nominal of 7.5 per cent dollar notes 2017 of the company (the "new dollar notes") as described in the prospectus (comprised of a registration document and a summary and securities note) published on 25 October 2012 (the "prospectus"). This document has been prepared in accordance with section 87G of the Financial Services and Markets Act 2000 ("FSMA") and the Prospectus Rules and the Listing Rules of the Financial Services Authority and a copy of this document has been filed with the Financial Services Authority in accordance with Rule 3.2 of the Prospectus Rules. This document has been approved as a supplementary prospectus under section 87A of FSMA.

The company accepts responsibility for the information contained in this document. To the best of the knowledge and belief of the company (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 contains no omissions likely to affect the import of the statements contained in it.

R.E.A. Holdings plc

(Incorporated in England and Wales under the Companies Act 2006 with registered number 671099)

Supplementary Prospectus

in connection with a proposed issue of up to \$50 million nominal of 7.5 per cent dollar notes 2017 of R.E.A. Holdings plc by way of an exchange offer and placing

This document is supplemental to, and should be read in conjunction with, the prospectus. Terms defined in the prospectus shall have the same meaning ascribed to them in the prospectus when used in this document. To the extent that there is any inconsistency between a statement in this document and a statement in the prospectus, the statement in this document will prevail.

No action has been taken by the company in any jurisdiction (other than in the UK) that would permit, or is intended to permit, an offering of any of the new dollar notes or the possession or distribution of the prospectus, this document or any amendment or supplement hereto or any other offering material relating to the new dollar notes in any country or jurisdiction where any such action for that purpose is required. Accordingly, the new dollar notes may not be offered or sold, directly or indirectly, in connection with the issue of, or any secondary trading in, the new dollar notes and none of the prospectus, this document and any other offering material may be distributed or published, in or from any country or jurisdiction except in circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction.

As set out in the letter dated 25 October 2012 from the company to the holders of the existing dollar notes (setting out the exchange offer), The Law Debenture Trust Corporation p.l.c. (the "trustee") expresses no view as to whether holders of the existing dollar notes should accept or reject the exchange offer or withdraw any acceptance of the exchange offer and nothing in this document should be construed as a recommendation from the trustee to holders of the existing dollar notes to accept or reject the exchange offer or withdraw any acceptance thereof. 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. Holders of the existing dollar notes should take their own advice on the merits and/or the consequences of accepting or rejecting the exchange offer or withdrawing any acceptance thereof, including any tax consequences.

SUPPLEMENTARY INFORMATION TO THE PROSPECTUS

1. Purpose of this supplementary prospectus

The purpose of this supplementary prospectus is to disclose a proposed arrangement under which R.E.A. Services Limited, a wholly owned subsidiary of the company, will subscribe the balance of the new dollar notes the subject of the placing which are not taken up by placees, and the intention of R.E.A. Services Limited to on-sell the new dollar notes subscribed by it in due course. Additionally, the supplement gives details of the statutory withdrawal rights that arise as a result of the publication of the document.

2. Reasons for the supplementary prospectus

As stated in the prospectus, the company proposes to create \$50 million nominal of new dollar notes. It intended that of the new dollar notes proposed to be created, up to \$35 million nominal should be issued by way of the exchange offer and up to \$15 million nominal should be issued by way of a placing for cash at par to placees procured by Guy Butler Limited ("Guy Butler").

Pursuant to a placing agreement dated 25 October 2012, Guy Butler undertook to use its reasonable endeavours to place all of the new dollar notes the subject of the placing by 10.30 a.m. (London time) on 15 November 2012 or (a) such earlier date as Guy Butler in its discretion considered appropriate, having regard to its obligations to use reasonable endeavours to procure placees, or (b) such later date as Guy Butler in its discretion might require, being not later than 18 November 2012.

As at the close of business on 12 November 2012 (being the latest practicable date prior to the publication of this document), Guy Butler had procured placees for approximately \$13 million nominal of new dollar notes.

In addition, the directors are aware that certain potential placees of new dollar notes have indicated that although they are interested in subscribing new dollar notes pursuant to the placing, they will be unable to make a formal decision to subscribe within the time allowed for the placing. It thus now appears that Guy Butler is unlikely, prior to the closing date of the placing, to be able to procure placees for the whole \$15 million nominal of new dollar notes the subject of the placing.

Accordingly, Guy Butler, the company and R.E.A. Services Limited ("REAS"), a wholly owned subsidiary of the company, have agreed that REAS shall subscribe the balance of the \$15 million new dollar notes for which Guy Butler does not procure placees (including, should such be the case, any new dollar notes in respect of which a prospective placee withdraws its application in accordance with the statutory rights referred to at 4 below) (the "balance notes") with the intention that REAS will, over time, on-sell the balance notes as purchasers can be found. The subscription by REAS will be funded by way of an interest free loan from the company to REAS to be repaid as and when REAS sells new dollar notes and in any event by 30 June 2017. Guy Butler has agreed that it will not be paid a commission in relation to the balance notes subscribed by REAS.

By subscribing for the balance notes, REAS will be in a position to offer new dollar notes to the potential placees referred to above if, in due course, they conclude that they do wish to invest in the new dollar notes.

The company is publishing this document (the "supplementary prospectus") to supplement and update the prospectus in relation to this development in respect of the placing.

3. **The exchange offer**

The exchange offer remains open for acceptance until 1.00 p.m. on 15 November 2012.

4. **Withdrawal rights**

Prospective investors in the new dollar notes, whether as holders of existing dollar notes who have accepted the exchange offer or as subscribers pursuant to the placing, are reminded of their statutory withdrawal rights in respect of the exchange offer and placing pursuant to section 87Q(4) of FSMA, which arise upon the publication of this supplementary prospectus. Holders of existing dollar notes who have accepted the exchange offer and investors who have committed to subscribe new dollar notes under the placing shall have until 10.00 a.m. on 16 November 2012 (being at least two clear business days following the publication of this supplementary prospectus) within which to withdraw their offer to subscribe new dollar notes in its entirety. If the acceptance or application is not withdrawn in the stipulated period any acceptance or application to subscribe new dollar notes will remain valid and binding.

If holders of existing dollar notes who hold their notes in certificated form and/or investors who have committed to subscribe new dollar notes under the placing wish to exercise their statutory withdrawal rights, they must do so by lodging a written notice of withdrawal by post or by hand (during normal business hours only) to Capita Registrars Corporate Actions at 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 10.00 a.m. on 16 November 2012. Notice of withdrawal given by any other means or which is deposited with or received after expiry of such period will not constitute a valid withdrawal.

If holders of existing dollar notes who hold their notes in uncertificated form (that is, within CREST) wish to exercise their statutory withdrawal rights they must send (or, if a CREST sponsored member, must procure that his/her CREST sponsor sends) an ESA instruction to settle in CREST in respect of each acceptance to be withdrawn. Each ESA instruction, in order for it to be valid and to settle, must include the following details:

- the nominal amount of the existing dollar notes in respect of which the acceptance is withdrawn;
- the member account ID of the accepting holder of existing dollar notes;
- the participant ID of the accepting holder of existing dollar notes;
- the participant ID of the Escrow Agent, namely Capita Registrars in its capacity as a CREST receiving agent - this is RA10;
- the member account ID of the Escrow Agent for the exchange offer in its basic form - this is 27783REA;
- the CREST transaction ID of the acceptance to be withdrawn;
- the intended settlement date for the withdrawal - this should be as soon as possible and in any event no later than 10.00 a.m. on 16 November 2012;

- the corporate action number for the exchange offer;
- the ISIN number for the existing dollar notes - this is GB00B0FRLM43; and
- input with standard delivery priority of 80.

As soon as reasonably practicable (and in any event within 14 days) following a holder of existing dollar notes validly withdrawing his or her acceptance of the exchange offer, where the relevant existing dollar notes are held in uncertificated form, Capita Registrars will give TFE instructions to Euroclear to transfer the relevant existing dollar notes held in escrow balances, and in respect of which it is the Escrow Agent for the purposes of the exchange offer, to the original available balances of the relevant accepting holders of existing dollar notes and, where the relevant existing dollar notes are held in certificated form, Capita Registrars will return the relevant certificates to the person or agent whose name and address is set out in Box 1 or, if applicable, in Box 5 and/or Box 6 of the form of acceptance or, if none is set out, to the first named holder at his or her registered address.

Guy Butler has informed prospective investors about the proposal that REAS should subscribe the balance notes and has received informal and non-binding indications that such prospective investors intend to proceed with the placing.

5. **Available Information**

In addition to those documents set out in paragraph 3.10 of the registration document, this supplementary prospectus will also be available to be downloaded from the company's website: www.rea.co.uk and to be inspected, during normal business hours, at the London offices of the company's solicitors, Ashurst LLP, at Broadwalk House, 5 Appold Street, London EC2A 2HA.

Dated: 13 November 2012