Registration Document

R.E.A. Holdings plc

(*a company incorporated in England and Wales under the Companies Act 2006 with registered number 671099*)

This document (the **"registration document"**) includes particulars given in compliance with the Prospectus Rules of the UK Listing Authority. The information contained in this registration document should be read in the context of, and together with, the information contained in the relevant securities note and distribution of this registration document is not authorised unless accompanied by, or supplied in conjunction with, copies of the relevant securities note.

This registration document provides information on R.E.A. Holdings plc (the **"company"**) that, according to the particular nature of the company and the securities which it may offer to the public or apply to have admitted to trading on the Regulated Market of the London Stock Exchange (the **"Market"**), is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profits and losses and prospects of the company. The Market is a regulated market for the purposes of the Markets in Financial Instruments Directive (Directive 2004/39/EC). This document has been filed with the Financial Conduct Authority in its capacity as competent authority under the UK Financial Services and Markets Act 2000.

This document (and any supplements) shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of any securities on the basis of this document, in any jurisdiction in which such offer, solicitation or sale would be unlawful.

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.

The attention of potential investors is drawn to "Risk Factors" set out on pages 1 to 5 of this document and the Risk Factors in the securities note.

7 November 2016

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Risk factors

The group's business involves risks and uncertainties. Those risks and uncertainties that the directors currently consider to be material are described below. There are or may be other risks and uncertainties faced by the group that the directors currently deem immaterial, or of which they are unaware, that may have a material adverse impact on the group.

Group capital structure and liquidity

In the statements regarding viability and going concern on page 45 of the company's 2015 annual report published in April 2016 (and incorporated by reference into this registration document), the directors set out their considerations with respect to the group's capital structure and their assessment of liquidity and financing adequacy. As noted under "Financing" on page 8 of the company's 2016 half yearly report (and incorporated by reference into this registration document), the group's financial position has been strengthened by the repackaging of facilities provided by the group's principal Indonesian bankers and will be further strengthened by completion of the transaction with PT Dharma Satya Nusantara Tbk and its subsidiaries (as detailed under "*DSN transaction*" below). Furthermore, the group is actively pursuing several options with regard to the refinancing of the $44 million of sterling and dollar notes falling due in 2017 and the funding of the continuation of the planned expansion of the group's planted hectarage, including the exchange offer of the existing dollar notes. While the directors expect that their efforts will be successful, such an outcome cannot be guaranteed. In that event, the directors would consider other mitigating actions which could include the sale of assets. Any such actions could have a material adverse effect on the company's business, financial condition and result of operations. Furthermore, should the actions taken prove to be insufficient, this could result in the group being unable to meet its liabilities as they fall due and accordingly could lead to cross-defaults and cross-accelerations requiring accelerated repayment of the group's other debt financing. This could, ultimately, lead to insolvency proceedings.

Agricultural operations

Climatic factors

Although the group's agricultural operations are located in an area of high rainfall with sunlight hours well suited to the cultivation of oil palm, climatic conditions vary from year to year and setbacks are possible. Unusually low levels of rainfall can lead to a water availability below the minimum required for the normal development of the oil palm resulting in a reduction in subsequent crop levels. Overcast conditions can lead to delayed crop formation.

The agricultural operations are dependent upon the river transport system between the main area of operations and the port of Samarinda downstream. Unusually low levels of rainfall can also lead to disruptions to this transport system, resulting in disruptions to the delivery of essential supplies to the estate and to transportation of CPO and CPKO downstream. This risk is now mitigated to an extent by the construction of a new road that now offers a viable alternative route for transport between the main area of operations and the port of Samarinda.

Any loss of crop or reduction in the quality of harvest will reduce revenues and thus negatively impact cash flow and profitability.

Cultivation risks

As in any agricultural business, there is a risk that the group's estate operations may be affected by pests and diseases with a consequential negative impact on crop. Agricultural best practice can to some extent mitigate this risk but it cannot be entirely eliminated.

Other operational factors

The group's agricultural productivity is dependent upon necessary inputs, including, in particular, fertiliser and fuel. Whilst the directors have no reason to anticipate shortages in the availability of such inputs, should such shortages occur over any extended period, the group's operations could be materially disrupted. Equally, increases in input costs are likely to reduce profit margins.

After harvesting, FFB become rotten if not processed within a short period. Any hiatus in FFB collection or processing may therefore lead to a loss of crop with the financial consequences referred to under "*Climatic factors*" above. The group endeavours to maintain resilience in its palm oil mills with each of the mills operating separately and some ability within each mill to switch from steam based to biogas or diesel based electricity generation but such resilience would be inadequate to compensate for a material loss of processing capacity for anything other than a short time period.

The group has bulk storage facilities within its main area of agricultural operations and at its transhipment terminal downstream of the port of Samarinda. Such facilities and the further storage facilities afforded by the group's fleet of barges have hitherto always proved adequate to meet the group's requirements for CPO and CPKO storage. Nevertheless, disruptions to river transport between the main area of operations and the port of Samarinda, or delays in collection of CPO and CPKO from the transhipment terminal, could result in a requirement for CPO and CPKO storage exceeding the available capacity. This would be likely to force a temporary cessation in FFB processing with a resultant loss of crop.

The group maintains insurance for the agricultural operations to cover those risks against which the directors consider that it is economic to insure. However, no assurance can be given that such insurance is in fact adequate, will continue to be available or that it will be available at economically reasonable premiums. Certain risks (including the risk of crop loss through fire and other perils potentially affecting planted areas on the group's estates), for which insurance cover is either not available or would, in the opinion of the directors, be disproportionately expensive, are not insured. These risks are mitigated to the extent reasonably feasible by management practices but an occurrence of an adverse uninsured event could result in the group sustaining material losses with a consequential negative impact on cash flows and profitability.

Produce prices

The profitability and cash flow of the group's agricultural operations depend both upon world prices of CPO and CPKO and upon the group's ability to sell these products at price levels comparable with such world prices. CPO and CPKO are primary commodities and as such are affected by levels of world economic activity and factors affecting the world economy, including levels of inflation and interest rates. Lower CPO and CPKO prices lead to reduced revenue and a consequent reduction in cash flow and profits. However, price swings should be moderated by the fact that CPO and CPKO compete with other vegetable oils and, in particular with oils from the annual oilseed crops. The latter account for the major proportion of world vegetable oil production and producers of such annual crops can reduce or increase their production within a relatively short time frame.

Restriction on the sale of the group's CPO and CPKO at world market prices, including as a result of restrictions on Indonesian exports of palm products and/or the imposition of high export duties (as has occurred in the past for short periods) could lead to reduced revenue from the sale of CPO and CPKO production and a consequent reduction in cash flow and profit. Currently, the Indonesian government allows the free export of CPO and CPKO but applies an export levy of $50 per tonne and a sliding scale of duties on exports which allows producers economic margins. The export levy may be regarded as a measure to support CPO and CPKO producers as the proceeds of the levy are used to subsidise biodiesel production and generally to assist the Indonesian oil palm industry.

World markets for CPO and CPKO may be distorted by the imposition of import controls or taxes in consuming countries. The directors believe that the imposition of such controls or taxes on CPO or CPKO will normally result in greater consumption of alternative vegetable oils within the area in which the controls or taxes have been imposed and the substitution outside that area of CPO and CPKO for other vegetable oils. Should such arbitrage fail to occur or prove insufficient to compensate for the market distortion created by the applicable import controls or taxes, selling prices for the group's CPO and CPKO could be depressed.

Expansion

The group is planning further extension planting of oil palm. The directors hope that unplanted land held by or allocated to the group will become available for planting ahead of the land becoming needed for development but this may require further licences and agreement of land compensation with affected stakeholders. The directors also hope that the finances of the group can continue to be managed in a way that enables the group to fund the planned extension planting programme but this will be dependent upon future cash flows and the availability of external funding to the extent required. Should land or cash availability fall short of expectations and the group be unable to secure alternative land or funding, the extension planting programme, upon which the continued growth of the group's agricultural operations will in part depend, may be delayed or curtailed. This would be likely to have a consequential negative impact on the capital value of the group's operations.

Environmental practices

The group recognises that the agricultural operations are a large source of employment and have significant economic importance for local communities in the areas of the group's operations. This imposes environmental, social and governance obligations which bring with them risks that any failure by the group to meet the standards expected of it may result in reputational and financial damage. The group seeks to mitigate such risks by establishing standard procedures to ensure that it meets its obligations, monitoring performance against those standards and investigating thoroughly and taking action to prevent recurrence in respect of any failures identified.

The group's existing operations and the planned expansion of those operations are based on land areas that have been previously logged and zoned by the Indonesian authorities as appropriate for agricultural development on the basis that, regrettable as it may be from an environmental viewpoint, the logging has been so extensive that primary forest is unlikely to regenerate. Such land areas fall within a region that elsewhere includes substantial areas of unspoilt primary rain forest inhabited by diverse flora and fauna. As such, the group, in common with other oil palm growers in Kalimantan, must expect scrutiny from conservation groups and could suffer adverse consequences if its environmental policies were to be singled out for criticism by such groups.

An environmental impact assessment and master plan was constructed using independent environmental experts when the group first commenced operations in East Kalimantan and this plan is updated regularly to reflect modern practice and to take account of changes in circumstances (including planned additions to the areas to be developed by the group). Substantial conservation reserves have been established in areas already developed by the group and further reserves will be added as new areas are developed. The group actively manages these reserves and endeavours to use them to conserve landscape level biodiversity.

The group is committed to sustainable oil palm development and adopts measures which it considers appropriate to mitigate the risk of its operations causing damage to the environment or to its neighbours. The group supports the principles and criteria established by the Roundtable on Sustainable Palm Oil (**"RSPO"**) and has obtained RSPO accreditation for most of its operations.

Community relations

Failure by the group's agricultural operations to meet the standards expected of them as a large employer of significant economic importance to local communities could lead to reputational and consequently financial damage to the group. A material breakdown in relations between the group and the host population, or disputes with staff and employees, could lead to disruption of operations, including blockages restricting access to oil palm plantings and mills, resulting in reduced and poorer quality CPO and CPKO production. Accordingly, the group seeks to foster mutually beneficial economic and social interaction between the local villages and the agricultural operations and also endeavours to manage its material dependence upon its staff and employees in accordance with international employment standards. In particular, the group aims to create an appropriate balance between local workers and those from other areas of Indonesia and, subject to appropriate qualifications and experience, gives priority to applications for employment from members of the local population, encourages local farmers and tradesmen to act as suppliers to the group, its employees and their dependents and promotes smallholder development of oil palm plantings.

Disputes over compensation payable for land areas allocated to the group that were previously used by local communities for the cultivation of crops or in respect of which local communities otherwise have rights can lead to disruption of operations, including blockages restricting access to the area the subject of the disputed compensation. The group has established standard procedures to ensure fair and transparent compensation negotiations and encourages the local authorities, with whom the group has developed good relations and who are therefore generally supportive of the group, to assist in mediating settlements.

Individuals party to a compensation agreement subsequently denying or disputing aspects of the agreement can lead to disruption of operations, including blockages restricting access to the areas the subject of the compensation disputed by the affected individuals. The group seeks to manage this risk by, where a claim is found to have a valid basis, seeking to agree a new compensation arrangement or, where the claim is found to be falsely based, encouraging appropriate action by the local authorities.

Stone and coal operations

The group decided in 2012 not to commit new capital to expanding its coal mining operations and to maximise recoveries from the concessions in which the group had already invested while minimising related costs. Subsequently, in 2014, following a significant fall in international coal prices, the group suspended all of its coal mining operations. A recent recovery in coal prices may lead to a resumption of coal mining operations in due course. The stone operations are not yet in operation. Thus, the directors are of the view that the group's stone and coal interests do not currently provide material risks as regards the group's ability to fulfil its obligations under their debt liabilities.

General

Currency

CPO and CPKO are essentially dollar based commodities. Accordingly, the group's revenues and the underlying value of the group's operations are principally dollar denominated. Moreover, a substantial proportion of the group's costs are dollar denominated or linked to the dollar.

Accordingly, the principal currency risk faced by the group is that those components of group costs and funding that arise in, or are denominated in, rupiah and sterling and may, if such currencies strengthen against the dollar, negatively impact the group's financial position in dollar terms. The directors consider that this risk is inherent in the group's business and structure and the group does not therefore normally hedge against such risk particularly as past experience has shown that hedging may itself give rise to tax risks given that the Indonesian tax authorities have in the past contended (albeit unsuccessfully) that mark to market losses in Indonesia on hedging derivatives may not be deducted from chargeable profits for Indonesian tax purposes.

Counterparty risk

Default by a supplier, customer or financial institution could lead to loss of any prepayment, unpaid sales proceeds or deposit. The group maintains strict controls over its financial exposures which includes regular reviews of the creditworthiness of counterparties and limits on exposures to counterparties. Export sales are made either against letters of credit or on the basis of cash against documents.

Regulatory exposure

Changes in existing, and adoption of new, laws and regulations affecting the group (including, in particular, laws and regulations relating to land tenure and mining concessions, work permits for expatriate staff and taxation) could have a negative impact on the group's activities. Many of the licences, permits and approvals held by the group are subject to periodic renewal. Renewals are often subject to delays and there is always a risk that a renewal may be refused or made subject to new conditions.

Breach of the various continuing conditions attaching to the group's land rights (including conditions requiring utilisation of the rights and concessions) or failure to maintain all permits and licences required for the group's operations could lead to civil sanctions and, in an extreme case, loss of the affected rights or concessions.

Indonesia, where all of the group's operations are located, has been classified as relatively high risk by the International Transparency Corruption Perceptions Index. While the group believes that it has, and has traditionally had, strong controls in this area, failure by the group to meet the standards expected in relation to bribery and corruption could lead to reputational damage and criminal sanctions.

Country exposure

All of the group's operations are located in Indonesia. The group is therefore significantly dependent on economic and political conditions in Indonesia. In the late 1990s, in common with other parts of South East Asia, Indonesia experienced severe economic turbulence and there have been subsequent occasional instances of civil unrest, often attributed to ethnic tensions, in certain parts of Indonesia. In the recent past, Indonesia has been stable and the Indonesian economy has continued to grow.

Freedom to operate in a stable and secure environment is critical to the group and the existence of security risks in Indonesia should never be ignored. However, the group has always sought to mitigate those risks and has never, since the inception of its East Kalimantan operations in 1989, been adversely affected by regional security problems.

The introduction of exchange controls or other restrictions on foreign owned operations in Indonesia could lead to restrictions on the transfer of profits from Indonesia to the UK with potential consequential negative implications for the servicing of the group's debt obligations outside Indonesia. However, the directors are not aware of any circumstances that would lead them to believe that, under current political conditions, any Indonesian government authority would impose exchange controls or otherwise seek to restrict the group's freedom to manage its operations.

Mandatory reduction of foreign ownership of Indonesian plantation operations could lead to forced divestment of interests in Indonesia at below market value with consequential loss of value. However, whilst the group accepts that there is a possibility that foreign owners may be required over time partially to divest ownership of Indonesian palm oil operations, it has no reason to believe that such divestment would be at any price other than market value.

Miscellaneous relationships

Disputes with staff and employees may disrupt operations and lead to a consequent loss of revenues. The group appreciates its material dependence upon its staff and employees and endeavours to manage this dependence in accordance with international employment standards.

The group is also dependent on its relationships with local partners in its Indonesian subsidiaries. If these relationships were to break down, the group may need to rely on the Indonesian courts to enforce the agreements governing its arrangements with local partners. As well as the uncertainty that is involved with judicial proceedings, any failure to enforce is, in particular, likely to have a material negative impact on the value of the stone and coal operations because the concessions are currently legally owned by the group's local partners. In any event, the group endeavours to maintain cordial relations with its local partners by seeking their support for decisions affecting their interests and responding constructively to any concerns that they may have.

Eurozone and UK referendum

The directors are conscious of the possibly heightened financial risks currently prevailing in relation to the eurozone and to banks. The group has no direct exposures to the eurozone but would clearly be affected by any consequential impact on demand for CPO and CPKO that could follow a financial collapse in the eurozone or other major economic area. The group is careful in its commitments and is ready to scale these back rapidly should the need arise. With regard to the banks, the directors endeavour to ensure that the group's liquid funds are deposited in a manner likely to minimise the risk of loss.

The group does not believe that the withdrawal of the UK from the European Union will have any direct material negative impact on the group. Indeed, the current weakness of sterling that has followed the referendum on withdrawal is beneficial for the group as it reduces, in dollar terms, the principal liabilities in respect of the group's sterling debt and the cost of servicing such sterling debt and the company's preference share capital.

R.E.A. Holdings plc

The company was incorporated in England and Wales on 27 September 1960 under the Companies Act 1948 with registered number 671099. The company is a public limited company and is subject to the provisions of the Companies Act 2006. The company's registered office is at First Floor, 32-36 Great Portland Street, London, W1W 8QX and its telephone number is + 44 (0)20 7436 7877.

The company is the parent company of a group of companies and is not itself a subsidiary of any other company. Substantially all of the operations of the group that are currently cash generating are owned by REA Kaltim and its subsidiaries. The company's profitability and cash flow is therefore materially dependent upon REA Kaltim and its subsidiaries.

The business of the group

The group is principally engaged in the cultivation of oil palms in the province of East Kalimantan in Indonesia and in the production of crude palm oil and crude palm kernel oil. Ancillary to this, the group generates renewable energy from its methane capture plants to provide power for its own operations and also for sale to local villages via the Indonesian state electricity company. Detailed information concerning the group's agricultural operations (and in particular the markets into which the group's palm products are sold) is provided on pages 14 to 20 (inclusive) and 23 to 30 (inclusive) of the 2015 annual report (in the section entitled "Strategic report" under the headings "Agricultural operations" and "Sustainability") as updated on pages 5 and 6 of the company's 2016 half yearly report (in the section entitled "Interim management report" under the heading "Agricultural operations") and in "*Update concerning the group's agricultural operations*" below.

The group also holds interests in respect of a stone deposit and three coal mining concessions, all of which are located in East Kalimantan. Detailed information concerning such stone and coal operations is provided on page 21 of the 2015 annual report (in the section entitled "Strategic report" under the heading "Stone and coal operations") as updated on pages 6 and 7 of the company's 2016 half yearly report (in the section entitled "Interim management report" under the heading "Stone and coal operations") and in "*Update concerning the group's stone and coal operations*" below.

Update concerning the group's agricultural operations

Key agricultural statistics for the 10 months to end October 2016 (with comparative figures for the corresponding period of 2015) were as follows:

	10 months to 31 October 2016	10 months to 31 October 2015*
FFB crops (tonnes):		
Group harvested	367,495	485,697
Third party harvested	76,286	114,791
Total	443,781	600,488
Production (tonnes):		
Total FFB processed	440,023	592,168
CPO	101,510	130,316
Palm kernels	20,784	27,391
CPKO	7,770	9,926
Extraction rates (percentage):		
CPO	23.1	22.0
Palm kernel	4.7	4.6
CPKO	33.8	34.3
Rainfall (mm):		
Average across the estates	2,759	1,705

* The 2015 comparative figures have been restated as the new information system that was implemented in 2015 allows for data collection in real time so that production can be reported on an actual month basis

The severe dry periods experienced in both 2014 and 2015 have had a significant negative impact on the group's current year crop production alongside that of other oil palm plantations in East Kalimantan and a number of other areas of South East Asia. Whilst the impact continued into the second half of 2016, daily cropping rates started to recover in September and the recovery continued strongly into October. Updated bunch censuses indicate that that the recovery should continue and the directors continue to expect that crops should return to more normal levels in 2017.

Recent weeks have seen some fluctuation in the price of CPO CIF Rotterdam, with the price falling from $777 per tonne at the time of publication of the Interim management report on 27 September 2016 (which forms part of the 2016 half yearly report incorporated into this registration document) to a low of $692 before recovering to its current level of $757.50. The recovery being seen by the group in daily cropping rates mirrors the reported experience of other oil palm growers. With the resurgence in production, CPO stocks at origin have increased but are still at below historical averages suggesting that prices may well remain stable at current levels and could increase during 2017. The group remains on target to achieve 6,000 hectares of extension planting by the end of 2016. Cumulative development to 31 October 2016 is detailed below:

	Ten months to 31 October 2016 Hectares
Cleared, not yet planted at 1 January 2016	2,691
Cleared during the period	4,402
Cleared, not yet planted at end of period	(1,785)
Planted during the period	5,308

Good progress is being made in satisfying the remaining conditions of the agreement finalised late in 2015 to swap land held by PT Sasana Yudha Bhakti for land held by PT Prasetia Utama. The directors expect this to be completed by the end of 2016.

Update concerning the group's stone and coal operations

The recovery in coal prices reported in the Interim management report (which forms part of the 2016 half yearly report incorporated into this registration document) has continued with the RB Coal Index having reached a current level of $94, up from $66 at the time of publication of the report on 27 September 2016 and $50 at the beginning of 2016. This increase has been accompanied by a recovery in prices for Indonesian semi-soft high calorie coal such as the group has in its PT Indo Pancadasa Agrotama (**"IPA"**) concession near Kota Bangun. Arrangements are already in place for the mining of this concession by a third party on a basis that will provide for an income stream to the group based upon prevailing coal prices but with an agreed floor. The group is now in active discussions with the third party concerned with a view to resumption of mining operations once arrangements have been put in place for rehabilitation of the mine and for the evacuation and sale of coal produced.

Following exploratory drilling at the group's Liburdinding concession by another third party, the group had hoped to agree an arrangement similar to that at IPA with the third party concerned. This has not proved possible but the group has now opened discussions with other parties expressing interest in such an arrangement.

The group is moving forward with its plans to purchase crushed stone from a third party contractor who would extract the stone from a limestone quarry located near the PT Putra Bongan Jaya (**"PBJ"**) property and then crush the stone on a site within the PBJ property. The resultant crushed stone would be utilised for hardening roads on PBJ and for sale to third parties.

DSN transaction

The agreements between the group and PT Dharma Satya Nusantara Tbk (**"DSN"**) remain conditional on the receipt by REA Kaltim of the approval of the Indonesia Investment Coordinating Board (*Badan Koordinasi Penanaman Modal*). Such approval is expected to be received imminently and completion of the transaction is scheduled to follow shortly thereafter. On completion, subsidiaries of DSN will acquire, by a combination of subscription for new shares and the acquisition of existing shares, a 15 per cent equity interest in REA Kaltim. The overall consideration payable for the interest to be acquired amounts to the equivalent of $15 million in cash, with up to a further $850,000 payable depending upon the recovery by REA Kaltim of certain overpaid tax amounts prior to 1 January 2018.

Concurrently with completion of the acquisition, a subsidiary of DSN will also provide dollar and sterling loans to REA Kaltim of, respectively, $10 million and £3.9 million on terms mirroring the terms of existing dollar and sterling loans from the company to REA Kaltim. Discussions are continuing between the group and DSN regarding further proposed loans by subsidiaries of DSN to subsidiaries of REA Kaltim.

Temporary advances previously made by subsidiaries of DSN to REA Kaltim pending completion of the agreements between DSN and the group will be repaid on completion, with repayment effected by set off against the amounts due by subsidiaries of DSN on completion.

Financing

The DSN transaction referred to above and the repackaging of the group's principal Indonesian bank facilities have considerably strengthened the group's financial position. However, given the prospective maturity during 2017 of an aggregate of the equivalent of some $44 million of existing dollar notes and 9.5 per cent sterling notes 2015/17 issued by REA Finance B.V. and the current momentum in the extension planting programme, further funding is still required. The group has for several months been in discussions with an international development institution and local Indonesian banks with a view to securing the necessary finance. The discussions are proceeding well with the group currently focusing on obtaining additional mezzanine funding of $30 million from the development institution and additional bank funding from the Indonesian banks for current and planned extension planting.

The group, however, recognises that the existing dollar notes have been a useful and flexible source of funding for the group. Many holders of the existing dollar notes have been longstanding supporters of the group's debt securities and the group would welcome a continuing relationship with such holders. Moreover several holders have indicated informally that they would be willing to roll over at least a part of their holdings of existing dollar notes for an extended period. Accordingly, the group is inviting holders of existing dollar notes to exchange their existing holdings for new dollar notes. To the extent that such holders elect to do so, the new funding required to refinance the existing dollar notes will be reduced and the group's financial position further enhanced.

Selected financial information

The following table provides summary financial information concerning the group as at the dates and for the periods stated. The information has been extracted from the audited annual financial statements of the company included in the company's 2015 annual report and the unaudited financial statements of the company included in the company's 2016 half yearly report, save that the financial information contained in the annual report dated 31 December 2015 has been restated in accordance with the requirements of IAS41 and such restated figures are included in the 30 June 2016 half yearly report. Accordingly, the figures set out below in respect of 31 December 2015 are those restated figures as stated in the 30 June 2016 half yearly report.

	As at 30 June 2016	As at 30 June 2015*	As at 31 December 2015*	As at 31 December 2014
	$'000	$'000	$'000	$'000
Summary of net assets				
Non-current assets	575,007	559,695	573,240	550,796
Current assets	51,709	44,119	58,209	57,891

Current liabilities	119,526	94,144	81,430	86,246
Non-current liabilities	214,861	214,899	254,028	215,816
	292,329	294,771	295,991	306,625

	6 months to 30 June 2016 $'000	6 months to 30 June 2015* $'000	Year to 31 December 2015* $'000	Year to 31 December 2014 $'000
Summary of results (before taxation and minority interests)				
Revenue	39,337	46,205	90,515	125,865
Earnings before interest, tax, depreciation, amortisation and biological gain	7,477	9,138	15,269	38,797
Profit/Loss before tax	(5,190)	(5,463)	9,353	23,744
Profit/Loss for the year/period	(4,437)	(4,544)	(10,763)	21,981
Profit/Loss attributable to ordinary shareholders	(7,911)	(8,503)	(18,825)	14,153
Cash generated by operations	1,165	9,448	37,286	33,053

* Figures as restated in accordance with IAS41

Directors and corporate governance of the company

The directors of the company (all being of First Floor, 32-36 Great Portland Street, London, W1W 8QX) are as follows:

David John Blackett (chairman)

Mr Blackett was appointed a non-executive director of the company in 2008 and was appointed chairman on 1 January 2016. After qualifying as a chartered accountant in Scotland, he worked for over 25 years in South East Asia, where he concluded his career as chairman of AT&T Capital Inc's Asia Pacific operations. Previously, he was a director of an international investment bank with responsibility for the bank's South East Asian operations and until October 2014 served as an independent non-executive director of South China Holdings Limited (now Orient Victory China Holdings Limited), a company listed on the Hong Kong Stock Exchange.

Mark Alan Parry (managing director)

Mr Parry was appointed an executive director on 1 January 2013. Mr Parry assumed the role of managing director on the retirement of Mr Oakley from that role, with effect from 1 January 2016. Mr Parry joined the group in 2011 as the group's regional director based in Singapore and Indonesia and was appointed president director of REA Kaltim in July 2012. He worked for 10 years as a surveyor and engineer in the mining, oil and gas industries. Following completion of an MBA at the London Business School, he spent 15 years with an international bank, ultimately as managing director, project finance. He subsequently established and ran a private consultancy business for two years prior to joining the group. Mr Parry is also chief operating officer of REA Kaltim with local responsibility for all of the group's operations.

Irene Chia (independent non-executive director)

Ms Chia was appointed a non-executive director on 1 January 2016. Ms Chia has extensive corporate, investment and entrepreneurial experience in Asia, the United States and the UK. A graduate in economics and formerly a director of one of the Jardine Matheson Group companies, Ms Chia now lives in Singapore and is currently self-employed with Far Eastern interests in consulting, property and financial investment as well as in the charitable sector.

John Clifton Oakley (non-executive director)

After early experience in investment banking and general management Mr Oakley joined the group in 1983 as divisional management director of the group's then horticultural operations. He was appointed to the main board in 1985 and subsequently oversaw the group businesses involved in tea, bananas, pineapples and merchanting. He transferred in the early 1990s to take charge of the day to day management of the group's then embryonic East Kalimantan agricultural operations. He was appointed managing director in January 2002 and, until the appointment of a regional executive director in 2013, was the sole executive director of the group. Mr Oakley, who is based in London, retired as managing director on 1 January 2015 but remains on the board as a non-executive director but for a transitional period undertaking some additional responsibilities, in particular with reference to the group's new information systems.

Richard Michael Robinow (non-executive director)

Mr Robinow was appointed a director in 1978 and became chairman in 1984. Following his seventieth birthday, he retired from the chairmanship on 1 January 2016. He remains on the board as non-executive director and, for a transitional period, will undertake some additional responsibilities particularly in relation to the financing of the group. After early investment banking experience, he has been involved for over 40 years in the plantation industry. He is also a non-executive director of M.P. Evans Group plc, a UK plantation company whose shares are admitted to trading on the Alternative Investment Market of the London Stock Exchange and of a Kenyan plantation company, REA Vipingo Plantations Limited (substantially all of the shares in which are owned by him and another member of his family).

Michael St Clair-George (non-executive director)

Mr St. Clair-George is a fellow of the Institute of Chartered Accountants in England & Wales. He has over 40 years' experience in the plantation and agribusiness industries in Malaysia and Indonesia, having worked for some 25 years with Harrisons & Crosfield and Harrisons Malaysian Plantations Berhad, as finance director, and then as president director of Sipef NV's Indonesian operations. He then spent 10 years as managing director of Sipef NV, based in Belgium. Retiring from this position in 2007 and returning to London, he served until 2013 as senior non-executive director and chairman of the audit committee of New Britain Palm Oil Limited.

Conflicts of interest

As noted above, Mr Robinow is a director of M.P. Evans Group plc which has interests in oil palm plantations in Indonesia. Since CPO is an international commodity and the group's share of the CPO market is small, the group does not compete for sales with other producers of CPO.

Mr Robinow, together with his immediate family and other members of the Robinow family, together hold the entire issued share capital of Emba Holdings Limited (**"Emba"**), a significant shareholder in the company. Pursuant to deeds dated 24 November 1998 and 10 April 2001, Emba has agreed that it will not undertake activities in conflict with those of the group and that it will deal with the group only on a basis that is appropriate between, on the one hand, a listed company and its subsidiaries and, on the other hand, a significant shareholder in the listed company. On the basis of that agreement, the directors are satisfied that the group is capable of carrying on business independently of Emba and that all transactions and relationships between the group and Emba are, and will be, at arm's length and on normal commercial terms.

Save as described in the immediately preceding paragraphs of this section "*Conflicts of Interest*", there are no potential conflicts of interest between the duties of the group of any of the directors listed above and their private interests and/or other duties.

Corporate governance

The board has appointed audit, nomination and remuneration committees, with written terms of reference, to undertake certain of the board's functions. Further information regarding the audit committee is provided under "*Audit committee*" below. The nomination committee is responsible for recommending new appointments to the board while the remuneration committee sets the remuneration and benefits of the managing director (being the only executive director of the company) and the chairman.

In the opinion of the directors, the company complies fully with the provisions set out in the UK Corporate Governance Code published in 2014 by the Financial Reporting Council.

Audit committee

The audit committee comprises Michael St Clair-George (chairman) and David Blackett. It is responsible for:

(i) monitoring the integrity of the financial statements and reviewing formal announcements of financial performance and the significant reporting issues and judgements that such statements and announcements contain;

(ii) reviewing the effectiveness of the internal control functions (including the internal financial controls, the internal audit function and arrangements whereby internally raised staff concerns as to financial reporting and other relevant matters are considered);

(iii) making recommendations to the board in relation to the appointment, reappointment and removal of the external auditors, their remuneration and terms of engagement; and

(iv) reviewing and monitoring the independence of the external auditors and the effectiveness of the audit process.

The audit committee also monitors the engagement of the auditors in respect of non-audit work.

Significant shareholders

As at 7 November 2016 (being the latest practicable date prior to the publication of this document), the company had received notifications required by the Disclosure and Transparency Rules of the Financial Conduct Authority from the following persons of the voting rights held by them as shareholders through the holdings of ordinary shares indicated:

	Number of ordinary shares	*Percentage of ordinary share capital*
Emba Holdings Limited	10,311,420	28.1,
Prudential plc and certain subsidiaries*	6,043,129	16.5
Alcatel Bell Pensioenfonds VZW	4,167,049	11.4
Artemis UK Smaller Companies	3,563,620	9.7
First State Investments (UK) Limited	1,476,858	4.0

* *In addition, the company has been notified that the above interest of Prudential plc group of companies includes6,021,116 ordinary shares (16.4 per cent) in which M&G Investment Funds 3 is also interested.*

In so far as the company is aware, other than as disclosed above, no person has directly or indirectly an interest in the company's capital which is notifiable under the Disclosure and Transparency Rules of the Financial Conduct Authority. In so far as is known to the company and other than as disclosed under "*Conflicts of interest*" above, there are no persons who, directly or indirectly, could exercise control over the company and no arrangements the operation of which could result in a change of control of the company at a future date.

General information

Historical financial information

The company's audited financial statements for years ended 31 December 2014 and 2015 were drawn up in accordance with International Financial Reporting Standards as adopted by the European Union.

Legal and arbitration proceedings

Save for certain tax disputes within the Indonesian tax authorities as referred to in note 9 on page 92 of the 2015 annual report and note 7 on page 19 of the 2016 half yearly report, there have been no governmental, legal or arbitration proceedings (including any proceedings which are pending or threatened of which the company is aware) during a period covering at least the previous 12 months which may have, or have had in the recent past, significant effects on the company's and/or group's financial position or profitability.

Significant change in the company's financial or trading position

There has been no significant change in the financial or trading position of the group since 30 June 2016, being the end of the last financial period for which the company has published interim financial information.

Material adverse changes in the company's prospects

There has been no material adverse change in the prospects of the company since 31 December 2015, being the date of the last published audited financial statements of the company.

Recent events impacting the company's solvency

There have been no recent events particular to the company which are to a material extent relevant to the evaluation of the solvency of the company.

Material contracts

There are no material contracts entered into other than in the ordinary course of the group's business, which could result in any member of the group being under an obligation or entitlement that is material to the company's ability to meet its obligations to noteholders in respect of the new dollar notes being issued.

Available information

During the life of this document, the following documents will be available to be downloaded from the company's website: *www.rea.co.uk/investors/noteholder-information* 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.

(i) the memorandum and articles of association of the company;

(ii) the annual reports of the company for the years ended 31 December 2014 and 31 December 2015;

(iii) the half yearly report of the company for the six month period ended 30 June 2016;

(iv) the trust deed dated 16 November 2012 constituting the existing dollar notes made between the company as issuer and The Law Debenture Trust Corporation p.l.c. as trustee;

(v) a draft of the trust deed by which the new dollar notes are to be constituted, to be made between the company as issuer and The Law Debenture Trust Corporation p.l.c. as trustee; and

(vi) the offer letter to be sent to the holders of existing dollar notes setting out the terms and conditions of the exchange offer.

Statutory auditors

The consolidated financial statements of the group and the financial statements of the company for the years ended 31 December 2014 and 31 December 2015 have been audited by Deloitte LLP, a member firm of the Institute of Chartered Accountants of England & Wales. The auditor's reports on those statements were unqualified and did not contain any statements under section 498(2) or (3) of the Companies Act 2006; the report on the 2015 financial statements contained a reference to a matter to which the auditor drew attention by way of emphasis as follows:

> "As described in the Directors' Report on page 45, the group has material indebtedness, in the form of term bank loans, revolving working capital facilities renewable annually and listed notes. The equivalent of some $15 million of bank indebtedness falls due for repayment over the next twelve months and the equivalent of $69 million thereafter in the period to 31 December 2017 (of which the equivalent of $46 million relates to listed notes).
>
> The directors have also assessed the impact of this matter when assessing the principal risks and how they have been managed and in their explanation of how they have assessed the prospects of the group.
>
> Whilst we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate, these conditions indicate the existence of a material uncertainty which may give rise to significant doubt over the group's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the company was unable to continue as a going concern."

The information shown for the years ended 31 December 2014 and 31 December 2015 under "Summary financial information" above does not constitute statutory accounts within the meaning of section 435 of the Companies Act

None of the information contained in this document has been audited.

Third party information

This document contains third party information (provided by Oil World, found on page 10 of the company's 2015 annual report). The company confirms that the third party information has been accurately reproduced from the information provided to it and as far as the company is aware and able to ascertain, no facts have been omitted which would render the reproduced information inaccurate or misleading.

Documents incorporated by reference

This document should be read and construed in conjunction with the following documents which shall be deemed to be incorporated in, and form part of this document, save that any statement contained in a document which is deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this document to the extent that a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this document.

(i) The annual reports of the company for the years ended 31 December 2014 and 31 December 2015 which contain (a) the audited annual financial statements of the company for those years, as well as the auditors' report and notes and (b) a description of the business of the company and its subsidiaries.

(ii) The half yearly report of the company for the six month period ended 30 June 2016 which includes the unaudited half yearly financial statements of the company.

During the life of this document, the above documents will be available to be downloaded from the company's website: www.rea.co.uk/investors/financial-reports 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.

Documents incorporated by reference in the above documents are not incorporated by reference in this document.

Definitions

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

"board"	the board of directors of the company
"company"	R.E.A. Holdings plc, whose registered address is at First Floor, 32-36 Great Portland Street, London W1W 8QX
"CPKO"	crude palm kernel oil
"CPO"	crude palm oil
"directors"	the directors of the company
"dollar notes"	the existing dollar notes and/or the new dollar notes, as the context may require
"exchange offer"	the offer by the company to holders of existing dollar notes, pursuant to which holders of existing dollar notes are invited to exchange all or any part of their holdings of existing dollar notes for new dollar notes
"existing dollar notes"	the 7.5 per cent dollar notes 2017 constituted pursuant to a trust deed dated 16 November 2012 between the company as issuer and The Law Debenture Trust Corporation p.l.c. as trustee,$ 34,011,003 nominal of which notes are outstanding
"FFB"	oil palm fresh fruit bunches
"group"	the company and its subsidiaries
"London Stock Exchange"	London Stock Exchange plc
"new dollar notes"	the $37,500,000 nominal of 7.5 per cent dollar notes 2022 proposed to be created by the company
"ordinary shares"	ordinary shares of 25p each in the capital of the company
"REA Kaltim"	PT REA Kaltim Plantations, a subsidiary of the company 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

References to "dollars" and to "$" are to the lawful currency of the United States, to "sterling" and "£" are to the lawful currency of the United Kingdom and to "rupiahs" and "Rp" are to the lawful currency of the Republic of Indonesia. Unless otherwise specifically indicated, where an amount denominated in one currency is stated as at a date and with an equivalent amount in another currency, that equivalent represents the conversion of the applicable amount at the exchange rate ruling as at the close of business in London on the date in question or on the last business day preceding that date.