



Introduction

REA's tax policy (**Tax Policy**) defines the principles that guide how R.E.A Holdings plc and its subsidiaries (the **Group**) manages its tax affairs and related risks.

Tax Policy is set by the Group's Finance and Accounting Department under the supervision of the Group and Indonesian audit committees and applies to all entities within the Group.

Guiding principles

The Group's Tax Policy is based on the following key principles:

1. REA is committed to fulfilling all statutory tax compliance in a timely and thorough manner in accordance with prevailing tax laws and regulations
2. REA seeks to pay the correct amount of taxes
3. REA undertakes active tax planning in accordance with prevailing laws and regulations so as to optimise value for shareholders and all stakeholders, and
4. REA does not adopt any tax policy or structure that is designed to evade taxes.

Tax compliance and oversight

The Finance and Accounting department oversees and monitors the tax risks of all companies within the Group.

The Finance and Accounting team includes suitably qualified and experienced tax personnel, supported by the finance and tax teams in the areas of the Group's operations.

REA has an established and robust accounting system with technical tools to manage and monitor tax compliance.

All Group companies are obliged to comply with all statutory compliance and disclosure requirements according to the relevant tax laws and regulations in the jurisdictions in which they operate. This includes ensuring that:

1. Tax returns are prepared accurately and filed within deadlines
2. Tax positions are defensible and properly documented
3. Taxes are paid by the required due dates, and
4. Inter-company transactions are conducted on an arm's-length basis, supported by transfer pricing documentation.

Business transactions

Tax advice and guidance are considered in the context of commercial considerations.

To ensure effective and active tax risk management, the Group's tax management is engaged at an early stage and throughout implementation of any significant transactions, such as:

1. Mergers and acquisitions
2. Corporate or shareholding restructuring



3. Cross-border trading, services or financing, and
4. Major changes in business or financial arrangements

REA does not pursue aggressive tax planning, such as the use of tax havens for avoidance purposes. All corporate structures are established to be legally compliant and commercially justified, and to reflect genuine economic activity.

External advisers

While REA maintains a skilled in-house tax team, the Group recognises the value of engaging external advisers where appropriate to challenge and support decision-making.

External tax advice may be sought in situations such as:

1. Tax legislation that is ambiguous or subject to interpretation
2. Potential exposures are material
3. The Group has limited prior experience in specific matters, such as taxation in new jurisdictions, and
4. Independent confirmation is required to support provisions, deferred tax recognition, or transfer pricing arrangements in line with Indonesian and international practice.

Engagement and transparency

REA is committed to maintaining open and constructive relationships with tax authorities in the jurisdictions where it operates (particularly in Indonesia).

1. All provisions for current and deferred taxes are recognised in accordance with prevailing laws and regulations in Indonesia and other applicable jurisdictions.
2. Deferred tax assets are recognised where supported by reasonable expectations of future taxable profits, in line with statutory requirements (e.g., utilisation periods).
3. Provisions are made where tax outcomes are uncertain, and independent tax advice is sought in complex areas.
4. The Group recognises that effective tax management contributes to transparency for shareholders and stakeholders and therefore aligns its practices with applicable regulatory standards.

Comments and questions

Any questions or comments about this Policy should be directed to the Director of Finance.

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